

LEADING LIFE INSURANCE WEEKLY

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, SEPTEMBER 6, 1929

SEP 7 1929

LIFE REINSURANCE

STANDARD AND SUBSTANDARD



North American Reassurance Company

Lawrence M. Cathles, President

250 PARK AVENUE

New York



STRENGTH

SAMSON demolished a temple; Atlas upheld the world. The first an example of strength used for destructive purposes; the second an instance of strength utilized for good.

Of the second type is the strength of the Illinois Life. A financial reserve which is more than adequate for its needs, a field organization which has demonstrated its abilities, plus the leadership of capable executives at the Home Office are the factors which have enabled this Company to attain its place at the head of the list of Illinois life insurance companies.

The Illinois Life has assets of more than forty millions of dollars and has over one hundred and seventy-seven millions of insurance in force.

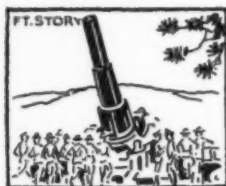
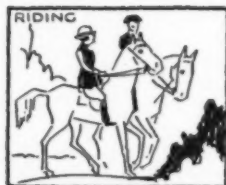
A strong company — a good company

Illinois Life Insurance Co.

Illinois Life Building **Chicago** 1212 Lake Shore Drive
Raymond W. Stevens, President

ATLANTIC LIFE

The Old Dominion This Week Welcomes Atlantic's Aces



Etchings Courtesy of
Hotel Cavalier

THE historic land where first was planted in the New World a permanent English colony—where famous Presidents and Statesmen were born and bred—where was established the Capital of the Confederacy during the War Between the States—and where is now found in fullest measure the progress of the New South—VIRGINIA—is the scene of Atlantic's 1929 Aces' Convention from September Fourth to Eighth.

At Richmond the stately Hotel Jefferson entertains our guests for two days. The historic shrines of Jamestown and Yorktown are visited by motor; at Colonial Williamsburg—world famous for its restoration project—our Aces enjoy luncheon at the College of William and Mary. And at Virginia Beach, overlooking the blue Atlantic Ocean, the new and beautiful Cavalier offers our men a glorious week-end of pleasure on one of the most inviting beaches in the United States.

Many newly appointed General Agents are enjoying here the charm of Atlantic's true Virginia Hospitality. They are learning of our progress in 1929 and our plans for growth in 1930. They know that they have chosen wisely in linking themselves with Atlantic Life.

There are opportunities now open for other ambitious men to come with us as General Agents in large metropolitan cities in Ohio, Indiana and Missouri. We will welcome your inquiry.

Atlantic Life is justly noted for its Aces' Conventions:

- 1927 Essex and Sussex, Spring Lake, N. J.
- 1928 Chateau Frontenac, Quebec, Canada.
- 1929 The Jefferson and The Cavalier, Virginia.
- 1930 Ambassador, Atlantic City, N. J.

Ask Us How YOU Can Qualify for 1930!

ATLANTIC LIFE INSURANCE CO.

Angus O. Swink, President
RICHMOND, VA.

RICHMOND, VIRGINIA

"Honestly, It's the Best Policy"

"Honestly, It's the Best Policy"

The Pan-American Salesman Says:—

“Prospects?—

I have 30 a week who have asked me to call!”

“No! Getting good prospects is no problem for me. Every week the Home Office sends me the names of from 25 to 35 prospects who have actually asked me to tell them about Life Insurance! That type of service makes Life Insurance selling easy.”

Our Sales Planning Department is just one of the many ways in which we try to render service to agents. One-third of our entire agency organization is using the Sales Planning Department systematically—and the significant fact is this: This one-third is writing 75% of our new business. That's proof of its value.

We have available territory in the following states. If you feel you can measure up to Pan-American standards, let us hear from you:

Georgia, Illinois, Indiana, Missouri, North Carolina, Ohio, Tennessee, Virginia or West Virginia.

Address

E. G. SIMMONS, Vice-President & General Manager

PAN-AMERICAN LIFE INSURANCE COMPANY

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Third Year No. 36

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, SEPTEMBER 6, 1929

\$3.00 Per Year, 15 Cents a Copy

Grant Plans to Build a Fleet

Business Men's Assurance Will Organize Two Auxiliary Companies

TO HAVE FULL COVERAGE

Will First Establish a Casualty Running Mate and Then Will Promote a Fire Corporation

W. T. Grant, president of the Business Men's Assurance of Kansas City, in his talk before the star salesmen of his company at their annual meeting at Charlevoix, Mich., last week announced that the company had now taken preliminary steps to incorporate a casualty company to write multiple lines and later on it will incorporate a fire company to write all fire insurance lines. President Grant stated that he felt that the time had come when an all-around insurance service should be given by a company group.

Development of Fleets

He called attention to the development of company fleets and said that in his opinion the various lines of insurance help the other. In other words, it is his opinion that a life company gets a very favorable reaction from a fire company under the same management. He believes the time is coming when an agent will see the great advantages in being able to furnish all kinds of insurance.

It is understood that it is the plan of the Business Men's Assurance to organize a financial holding company so that the three companies can be united through this medium. While the plans have not been matured, it is stated that undoubtedly agents and policyholders will be offered the opportunity to subscribe for stock on favorable terms. At the present time a number of agents are stockholders.

Remarkable Development Seen

President Grant stated that during the last 10 years all lines of insurance have developed in a remarkable way. Fire insurance, he said, had increased 60 percent in that period and casualty insurance 160 percent so far as income is concerned. Life insurance in force has increased from \$900,000,000 to \$2,400,000,000. He believes that it is possible under the same management to carry on three different major classes of insurance with the overhead cut down considerably and the agents offering all around insurance facilities.

Business Men's Growth

The Business Men's Assurance has had a rapid and substantial growth. It is 20 years old. It now has \$300,000 capital and \$661,882 net surplus above capital and all other liabilities. Its as-

(CONTINUED ON PAGE 16)

New York Hearing Shows Varied Views on Disability

NEW YORK, Sept. 5.—If by any chance Superintendent Albert Conway of New York approached the disability hearing which he held in his offices here yesterday without preconceived ideas on the disability clause, it would seem improbable that he could come to any definite conclusion from the course of the day's session. The gathering, with representation from coast to coast, reflected a wider degree of variance in thought than at any hearing thus far held, possibly because there was a greater freedom of expression and more company officials actually went on record with their views of the problem.

Probably the most important actual development of the session

was the appearance for the first time of a rather sizeable following for the Mutual Benefit's new disability clause. Heretofore Vice-president E. E. Rhodes has stood alone in the defense of his appeal for liberality in the definition of totality of disability. Today several company officials openly stated that they approve the Mutual Benefit definition and several more gave indirect approval by urging a liberality in uniformity which would permit such clauses as that of the Mutual Benefit. It was especially pointed out that this was a new venture and should be encouraged rather than prohibited by the rush for uniformity.

Great Variance on Prorating

The second chief item of discussion, as at previous hearings, was on the matter of the prorating clause and here again there was such a wide variance of opinion that no general viewpoint could be gained. Mr. Conway reported, however, that as a result of his recent questionnaire he found that of 38 companies answering, 26 did not favor a compulsory prorating clause, while 12 did, and of 36 companies answering on the matter of a permissive clause, 21 favored it, 13 did not and two qualified their answers. With that as a basis it seems probable that Mr. Conway will go before the meeting of the National Convention of Insurance Commissioners favoring a permissive prorating clause but disapproving a compulsory clause.

Some Objections to Uniformity

The general subject of uniformity came in for extensive argument and there was even a wide divergence of opinion as to the desirability of uniformity of itself. Though the preponderance of opinion was in favor of a definite program of uniformity and of the proposed program in particular, with certain revisions. The chief objection to uniformity was voiced by Vice-president Hutcheson of the Mutual Life of New York, who said that he was not in favor of uniformity at all and that he felt as broad a range of individuality should be granted in this as in all other phases of life insurance.

Monk Calls It Essential

Wesley E. Monk, former commissioner of Massachusetts and now with the Massachusetts Mutual, discussed uniformity at length and pointed to its need, saying that its attainment was the very purpose of the original association of commissioners in a national body and that it had done much to keep the insurance business from chaos. Several stated that they felt uniformity is essen-

tial today and that chaos would develop in connection with the disability clause if this is not effected at once.

Craig Opens Discussion

The discussion was opened by James D. Craig, vice-president of the Metropolitan Life and chairman of the actuarial committee in charge of the study of disability uniformity. He first outlined the committee's work and findings and spoke on the general case of the proposed clause, then turning to the views of his own company. Mr. Craig said that he personally believed that the tide had been turned in his own company and that the business is now caring for itself. Last year it showed a profit of \$250,000 on the clause and this year expects to show a profit of \$2,250,000. Thus it is not vitally interested in the new program and would be equally satisfied if it were not adopted.

Would Eliminate Competition

The Metropolitan had been prepared to issue a new form somewhat like that of the Mutual Benefit when the matter of uniformity came up, and it would gladly go ahead with that, if free competition were to continue, but if uniformity is to be effected, it will approve and abide by the proposed code. He said that he believed it best to eliminate competition as much as possible from the life business and that energies should be turned from disability to the life coverage and thus for the good of the business some such uniform code is best and the time is ripe now for such a change.

Notable Rate Increase Imperative

Arthur Hunter of the New York Life spoke on the item of disability rating, which he and Arthur Henderson of the Equitable Life of New York have had under close and intensive study for the past few months, and he made the definite recommendation that a notable rate increase is imperative and that he and Mr. Henderson will have the new proposed rates, for use with the new proposed standard clause, ready before the commissioners meet in Toronto. It was pointed out that the rates now charged by certain companies whose experience was studied for rating purposes are at least 10 percent and possibly considerably more below the level at which actual loss conditions indicate they should stand. Mr. Hunter, speaking for his own company, said that it also would prefer to go along on its own plan, regarding it as the best, but that uniformity is essential and thus it is

(CONTINUED ON PAGE 15)

Washington Plans Are Rounded Out

Tentative Program for National Association Convention Is Completed

MORE SPEAKERS ADDED

Galaxy of Agency, Home Office and Unattached Leaders Promise Worthy Three Days

NEW YORK, Sept. 5.—With several important additions to the previous drafts, the completed tentative program of the annual convention of the National Association of Life Underwriters, to be held in Washington, D. C., Sept. 25-27, has been given out by Roger B. Hull, managing director of the association, and James Elton Bragg, chairman of the convention program committee. Among the additions are Walton L. Crocker, president of the John Hancock Mutual Life; Jerome Clark, assistant superintendent of agencies of the Union Central Life; Edward M. McMahon, insurance trust officer of the Equitable Trust Company of New York, and William B. Burrus, with one place on the program still vacant, to be filled with a prominent agency man. The completed line-up gives a strong array of talent, well qualified to fill the three day session with unusual material from the combined viewpoint of agency, home office and layman.

Details Are Given

Convention details are included in the announcement, the local agents having arranged an interesting entertainment schedule and the National association planning numerous breakfasts and special gatherings of special groups, which will add zest to the convention. Headquarters are to be at the Mayflower Hotel and the entire week will be given over to making Washington the national capital for life insurance for the time being. The board of trustees will meet on Monday, the executive committee on Tuesday and the association in full on the next three days. The convention theme, "The Era of the Second Hundred Billion," is being carried out throughout the three days and added impetus is given this theme by the announcement only last month that the first hundred billion had actually been passed. The tentative program in full is given as follows:

Monday, September 23

10 a. m.—Meeting of the board of trustees of the National Association—all-day session.

2 p. m.—Meeting of the board of trustees of the American College of Life Underwriters.

Tuesday, September 24

10 a. m.—Meeting of the executive committee of the National Association—all-day session.

Wednesday, September 25

8 a. m.—Breakfast and conference—(CONTINUED ON PAGE 16)

Sharp Rise in Policy Loans and Surrenders Is Shown

NEW YORK, Sept. 5.—That the present stock market activity is having a direct effect on the life insurance business cannot be doubted after a study of policy loan and surrender figures for the past two years and reports on the half year results of 1929. These figures do not point directly to the stock market, of course, but they do tell of unusual cash demands on the business and speculation is the only plausible reason for this demand in these years of general business prosperity.

Policy loans have increased materially in the last two years. There is no indication of an abatement and home offices in New York report a continued increase thus far in 1929. It is not merely an increase in the aggregate that is used to prove this, but a more than proportional increase in comparison with new business and amounts in force. The same is true of surrenders and in this item still greater increases are anticipated for the future. The experience is not uniform, under any circumstance, and while some companies report a normal loan rate, others show twice or three times normal; and while some companies have even been able to improve their surrender rate, others have suffered from such tremendous surrender increases that heavy inroads have been made into new business totals, in compiling aggregates in force.

More Than Proportional

Glancing back over the past two years, the reports of life companies writing over two-thirds of the business in the country showed that policy loans have increased nearly 30 percent in the two years, 1927-28. Some of this increase, of course, would be the natural result of increased business, but a comparison of insurance in force of these same companies shows that in that two-year period total business increased only 20 percent. That gives an excess increase of about 10 percent in policy loans, meaning that in only that two-year period there was an actual gain of 10 percent in policy loans—rather a startling increase, which puts increased importance on the policy loan factor. Even more notable was the increase in policy surrenders, for they went up 33 percent in the two years, or some 13 percent over the actual normal. Of the latter item, it is significant to note that the great increases came in the case of the two great industrial-ordinary companies and that the bulk of the companies showed only a normal gain—or even an improvement. This might indicate that the increase in policy loans, reported by almost all companies, has not yet matured in most cases into the surrender stage, which is commonly regarded as the natural sequence—the final stage having been reached only in the case of the smaller unit companies.

Wide Variance Shown

Individual company experience varied widely. One company reported a gain of 40 percent in policy loans and 43 percent in surrenders, while its business increased only 23 percent. Another company increased policy loans 30 percent and surrenders 75 percent, while its business gained only 22 percent. One of the large non-par companies had an increase of 33 percent in policy loans and 50 percent in surrenders, while its business gained only 17 percent. One of the giants in the ordinary ranks increased policy loans 28 percent and slightly reduced its surrenders, gaining 22 percent in business in the two years. Another huge company, which has done extensive work in conservation and the checking of lapses, reported a 20 percent gain in policy loans, a 14 percent gain in surrenders and a 15 percent gain in insurance in force. One of the conservative New England companies reported

a 24 percent increase in loans, a 4 percent gain in surrenders and a 20 percent in total insurance. Thus the experience varies and no set rule applies, though the average of the aggregate experience points to a notable net increase in both loans and surrenders, with even more imminent in the case of the latter.

Now More Aware

Many factors enter into a consideration of these figures, so that it is not safe to credit the cash outgo at once to market speculation among the men on the street. Policy loans today have come into greater importance than in the past partly from the type of modern salesmanship which has put both business and personal insurance on a more scientific basis. The purchaser is more aware today of his cash equity and is often sold with realization of this credit bulwark which can be utilized at any time and with a minimum of notice. Thus, with business insurance greatly increased and personal insurance more nearly personal business insurance, it is only natural that the calls would be more frequent on the policy loan feature. The only disconcerting feature is that business in general has never enjoyed such a prosperous year as 1928 and as 1929 appears to point to, and thus general business should not be demanding such loan increases. Tight money may call for some of it, many preferring to use their life policies, rather than seek money when rates are up and money scarce at any price. But even this would not account for any appreciable amount of the total—and would not probably result in lapses, which have followed loans in the upward swing.

Points to Speculation

It seems that there can be only one answer to the trend in policy loans and that is that the lure of the stock market has been too great for the layman of America. He has been widely accused in the past two years of having invaded Wall street, in fact of having been the innocent cause of much of the wild speculation there—and the very fact that the greatest thrift unit in the country, life insurance, is feeling the call for cash, seems to indicate that this surmise is correct. If it is true, it offers cause for apprehension for the coming year or so, in the matter of lapses, for there is no longer doubt in the minds of any of the forecasters that the market must some day reverse itself. The result of that is usually the squeezing out of the smaller investors—or rather, speculators—at a loss, meaning that many will not have the wherewithal to replace these borrowed funds and may be driven to the corner where they must even drop the balance of their equity. Thus the policy loan item and the surrender item point with interest to the future, as well as telling somewhat of the developments of the past two years.

Detroit Life's Figures

The July 1 statement of the Detroit Life shows assets \$8,697,590 compared with \$7,624,872 the beginning of the year. Its capital and surplus now amount to \$1,000,000, its insurance in force \$76,715,592, its new insurance for the first six months \$8,871,116. Its premium income for the first six months is \$1,127,516.

Grand Rapids Association Elects

At the annual meeting of the Grand Rapids Association of Life Underwriters, the following officers were elected: Dan H. Treleven, president (Massachusetts Mutual); Frank A. Beers, first vice-president (Mutual Life of N. Y.); H. J. Wolvlar, second vice-president (Prudential); J. Leslie Livingston, secretary-treasurer (Franklin Life).

Disability Speaker



JAMES FAIRLIE
Vice-President and Actuary of Abraham Lincoln Life, Gives Suggestions to Agents on Writing Disability Benefits

Manufacturers Life Holds Annual Club Convention

The joint convention of \$100,000 and \$200,000 clubs of the Manufacturers Life at the home office in Toronto was attended by 250 members.

At the banquet J. B. McKechnie, general manager, acted as chairman. The toast to the agency force was proposed by F. G. Osler and was responded to by A. Bergeron of Quebec. The toast to the company was proposed by J. B. Warnicker of Portland, Ore., and responded to by E. S. Macfarlane, secretary. Great interest was taken in the announcement of the percentage of business written by the various branches in the "Spell It in Red" contest which was conducted during the previous month.

The first business session was presided over by A. Mackenzie, manager of agencies. The new rates which the company recently announced were discussed by J. H. Lithgow, actuary, while F. S. McKee, Vancouver; G. A. Dixon, Ottawa and J. E. Code, Detroit, led the discussion from the agent's point of view.

On the second morning T. Sheard of the National Trust Company spoke on "Life Insurance and Trust Cooperation." The session concluded with an address by W. H. Freda, branch manager at Cleveland on "The Science of Success." The convention was brought to a close by an address by Mr. Mackenzie to the branch managers.

Guardian Life Plans to Feature 70th Year

The Guardian Life will put on extra steam next year owing to its 70th anniversary. It will write about \$85,000,000 new business this year. It will aim to have in force on its anniversary, July 16, \$500,000,000. The Guardian Life will have its agency convention in New York in honor of this event. All agents who secure 70 applications or more during the agency club year will be given special attention. At the end of last year it had in force \$416,973,305. It wrote in new business last year \$75,781,421. The Guardian Life is making substantial gains in every direction. Last year it almost reached the \$70,000,000 in assets. It began business July 16, 1860, with \$200,000 capital.

Agents Advised on Disability

James Fairlie Tells Points That Must Be Considered in Writing Coverage

UNDERWEIGHT IMPORTANT

Rail Splitters Club of Abraham Lincoln Life Holds Its Annual Meeting at Springfield

Some valuable suggestions to agents in connection with the writing of total and permanent disability benefits were presented by James Fairlie, vice-president and actuary of the Abraham Lincoln Life and a member of the special disability committee of the American Life Convention, in an address to the leading producers of that company at their convention in Springfield, Ill., last week. Mr. Fairlie reviewed the recent developments in connection with the disability clause and the probability that many companies may have to change their disability benefit provisions and premiums as a result. In taking up the matter from the agents' standpoint he said:

Features to Be Considered

"When you consider that when a claim is incurred, the liability or present value of the payments which will be made under Benefit No. 1 (remission of premium and monthly income) may be as large as the face of the policy and remembering that the annual premium for the benefit may be as low as \$1.50, it will be very evident that we have to exercise care in the allowance of the benefits. Now what are some of the features which have to be considered? Underweight, especially at the younger ages, owing to its being conducive to tuberculosis, is still the greatest cause of disability. Companies have learned by experience that the disability rate is high with underweights, even though there is not another unfavorable feature shown in the application and even though the extent of the underweight may permit the life insurance benefit to be granted at standard premiums.

Agent Can Do Underwriting

"Only this year the medical director of one of the largest companies reported that formerly tuberculosis had caused 40 percent of its disability claims but that this has been reduced to 15 percent, giving as one reason their increased care in the allowance of the benefits to lightweighters. This is clearly one class of applicant where the agent, if he'll only exercise reasonably careful observation, can himself do some of the underwriting in advance. It is particularly important where, in addition, the applicant reports past personal history of such ailments as pleurisy, chronic bronchitis, loss of weight or family history of tuberculosis. If the case is a non-medical, with the agent completing Part II, he should be on the lookout for such features. In a medically examined case the company may receive a report of such features as rapid pulse and low blood pressure which, coupled with underweight, are suggestive of tuberculosis or lack of resistance to an attack.

Mental and Nervous Diseases

"Mental and nervous diseases form a second large cause of disability and many of these cases are of especially long duration. This class is on the increase, while fortunately tuberculosis is on the decrease. Nervous breakdowns or prostrations are dangerous and any

(CONTINUED ON PAGE 25)

Disability Up for Discussion

Vice-President J. M. Laird of the Connecticut General Talks to Agents

HISTORY OF MOVEMENT

Declares That Unless Uniform Provisions Are Established Each State Will Act Separately

The movement in favor of making disability subject to standard provisions is coming in for much informal discussion at the Connecticut General Agents convention at Hot Springs, Va. Vice-President J. M. Laird, who is a member of the committee of actuaries appointed by the New York superintendent of insurance to study the subject last year in conjunction with the committee appointed by the national convention of insurance commissioners outlined the situation as follows:

"The use of standard provisions is not new. Every life insurance policy issued in New York must conform with ten standard provisions. For instance, a certain cash value must be granted after three or more years. Dividends, if any, must be apportioned annually. Similarly, commercial accident and health policies must contain uniform standard provisions in force in twenty-one states.

Do Not Cover Disability

"The life insurance standard provisions fully cover the life insurance benefit but do not go far enough for a modern disability clause. The accident standard provisions do not apply to disability with life insurance if such benefit can under the law be classified as 'a special surrender value in case of total and permanent disability.' This expression has been interpreted as permitting waiver of premium and payment of a monthly income of \$10 (or in some cases \$20) per thousand.

"The modern disability clause has become a most important part of a life insurance policy. In fact, the aggregate disability payments may exceed the face of the policy. First one company and then another enlarged the scope of the benefit. Gradually life insurance companies found themselves doing an accident and health business as an incident to life insurance. Unfortunately, however, many companies did not fully realize that such a liberal disability benefit involved new problems in underwriting applications and in settling claims. The danger lay in granting accident and health benefits in the name of life insurance without fully appreciating how to handle an accident and health business.

Committee Was Appointed

"Early in 1928 the insurance department of New York decided that the time had come to define the scope of 'special surrender values for total and permanent disability.' It further felt that when the scope had been defined, the disability benefit should be subject to standard provisions. In this it was merely following the example already set in requiring standard provisions for the life insurance benefit and for accident and health insurance. In order to get the viewpoints of various companies the commissioner held a hearing and then appointed a committee of five company officials to propose standard provisions for the disability benefit.

"In December, 1928, the National Convention of Insurance Commissioners,

(CONTINUED ON PAGE 26)

Insurance Bound to Grow

Vice-President King of the Connecticut General Life Declares That the People at Large Now Appreciate the Benefit of Protection

In his address to agents at the convention of the Connecticut General Life at Hot Springs, Va., Vice-President Walter I. King pointed out the inevitability of the growth of life insurance in view of the industrial changes through which the country has passed and is passing. He said in part:

"There never has been a time in all of our economic history when insurance was a more vital factor in our financial stability than it is today and yet throughout all time it has played an important part in the country's growth. Broadly speaking there have been so far three phases in our industrial development. Back in the late forties and early fifties our population consisted of farmers who produced practically all of their requirements on their own farms. They raised their own food stuff, produced their own meats, wove their own cotton and spun their own wool. When they died they left their families a home at least, as well as the means of earning a livelihood. The rest of the population consisted of independent laborers, artisans, business and professional men in the villages who as a rule passed their own means of livelihood on to their sons and spent their old age with their children.

Value of Lump Sum Was Freely Advertised

"Such was the environment in which life insurance was born. The advertising material of most companies in the forties stressed the value of lump sum insurance to help in certain immediate needs. And yet even at that time insurance was stressed as a means of guaranteeing a continued income to the family upon the death of the insured. 'Life insurances in like manner guarantee to families and individuals an indemnity for losing by death the income of the insured, whether from salary, rent, profits of industry, or of mercantile enterprise, upon which these families or individuals depend for their subsistence. Viewed in this light, so far from implying a distrust of Providence, or an actual trifling with the boon of life conferred upon us, they imply a just appreciation of the blessings resulting therefrom, and an upright and moral means of continuing them to our successors and survivors.' (From the proposal of the Pennsylvania Company for Insurance on Lives and Granting Annuities, 1837.)

Change in Environment Has Been Brought About

"Most of us remember the change in our country from an agricultural country into a manufacturing one, and the drift of the population from the farms and villages to the cities. With this change there developed the small manufacturer and the store keeper who made and sold to the population many of those goods which were formerly made at home. In this transition, the working man was taken away from his home and the family's livelihood became more and more dependent upon his earning ability. If this ceased, then the family's income ceased and not being trained to produce their requirement on their own farms as their forefathers had, the families had to depend upon estates already created for their subsistence, or find other income producers in their own family, or become objects of charity. Such a condition increased the need for insurance many fold, and the business grew with what was then considered great bounds. It was during this period that installment payments of principal or income insurance was developed. It was too much to expect that widows,

untrained in business principles, could take their insurance money and translate that principal into annual income with sufficient astuteness and regularity to meet all of the demands of a growing family. So insurance companies gradually took over the function of paying insurance funds in installments over a period of years in an attempt to replace the regular income derived from the family's bread-winner.

Industrial Change Still Is in Progress

"We are now going through another industrial change. Amalgamations of all sorts are taking place every day. Corporations are uniting into one big unit. Chain stores have taken the place of the shop keeper and we are rapidly becoming a nation of employees. We are becoming a nation which is living upon its income. In fact, in many instances through installment buying, we are going further and living at the present time on our future income. Individuals and families are becoming so largely dependent on personal activities that some means for the continuation of this income is needed against the hazards it faces. As a result of this, insurance is growing as never before and the process of buying an estate on the installment plan through insurance is becoming a fundamental basis upon which our economic structure is being developed.

Public Now Appreciates Life Insurance Benefit

"Even we who are in the business are at times appalled at the figures which represent its growth. Great as these figures are, they indicate to me that the public is just beginning to appreciate the true function of insurance, i. e., to carry on where the insured fails and to make certain those hopes and ambitions that are in the heart of every true man. In fact, insurance is so much of a necessity in our present day economic life that some one has said, 'If life insurance had not been invented in the last century, necessity would have given it birth in this new social scheme.'

"When we look at insurance from this viewpoint, i. e., as the guarantor of the income upon which the public lives and is to live, then these figures are really not astounding and while it is never safe to prophesy, if the business is really going to fill its proper function, insurance must be written in even greater amounts each year, and the structure which you are building must grow year by year until it becomes a firm foundation upon which our whole social structure can rest.

Agents' Work Based on Three Basic Facts

"The agent of today must base his plan of work upon these three facts:

"1. That in the short space of less than one hundred and fifty years, this nation has changed from an agricultural nation, where the population produced for themselves their own subsistence, to a nation of income producers and wage earners whose very livelihood depends upon the continuation of that income.

"2. That insurance, the only certain method of guaranteeing the continuation of income in event of disability or death, is an ever growing need of our social structure.

"3. The public in general is growing more appreciative of this fact, and as a result will buy insurance in greater amounts in the years to come than they ever have before."

Big Society in Rerating Work

Modern Woodmen Tells About the Plight That Was Confronting Members

SOLVENCY WAS AT STAKE

Ratio of Mortality Was Constantly on Increase Due to the Older Policyholders

The Modern Woodmen of America, of Rock Island, Ill., organized in 1883 and with \$1,697,700,000 insurance in force, at the session of its head camp rerated on a legal reserve basis the insurance in force written prior to July 1, 1919. The current issue of the "Modern Woodman" gives complete information as to the change. The ratio of actual to expected mortality has been steadily going up until in 1928 it reached 99.59 percent. The society has assets of \$49,376,403 with a valuation ratio of 51.95 percent. In 1928 it received from members \$25,743,621 and paid in benefits \$26,134,629. The following interesting comment is made:

"The problem before the head camp was one of mortuary finance. It was really a very simple proposition. The society could not continue to pay out what it did not possess. It was as simple as that. It was not a new problem. It has come up before, but in every instance the attempt was made to stop it by way of compromise. The head camp of 1929 proclaimed to the world that it was through with compromise forever. It solved the problem finally and constructively by throwing all compromise into the discard and adopting rate schedules and plans which will not have to be revised and tinkered with by future head camps—rates which are actuarially sound and would put Modern Woodmen upon a foundation as solid as the rock of Gibraltar.

Solvency at Stake

The problem had to do with nothing less than the solvency of Modern Woodmen. It was brought to the attention of the delegates that within recent years there has been a steady decrease in the ratio of solvency. This was not a matter of guess work. It was conclusively shown by the valuation required by state insurance departments. Deficits in required reserves were ever increasing. To meet our current death claims valuable securities, in large amounts, had to be sold. Accredited examiners representing eight state insurance departments found that the total funds now in hand and invested would be entirely used up in the next three or four years if the present assessment rates were continued.

"The problem was therefore one that had to do with the continuance of the society. They may discuss rates in the abstract as much as they choose, but the head camp faced the situation wherein all talk about future rates would be useless if the present system was retained, because in the event of retention there would be no rates to discuss because there would be no society to talk about, save in the way of funeral oration. Two thirds of our fraternal insurance societies have already modernized their certificates. The head camp adopted new plans with many modern, up to date and popular features. It provided that women and children can become members, beginning Sept. 1, 1929, thus enabling the society to offer whole family protection.

"During the last ten years 58 fraternal societies have been organized.

(CONTINUED ON PAGE 17)

Two Organizations Plan Their Annual Meetings

TO GO TO EDGEWATER BEACH

Life Agency Officers and Life Insurance
Sales Research Bureau Arrange
for Conventions

The annual meeting of the Association of Life Agency Officers will be held in conjunction with that of the Life Insurance Sales Research Bureau Oct. 28-31 at the Edgewater Beach Hotel, Chicago.

Frank H. Sykes, vice president of the Fidelity Mutual and chairman of the association, will preside at its sessions and James A. Fulton, agency vice president of the Home Life of New York, will preside at the bureau sessions.

The program will include reports on

educational studies, covering the subjects of field schools, training managers to teach agents, the functions of educational departments, a discussion and demonstration of the use of slide films as educational helps, a report on the investigation concerning a national advertising campaign for life companies.

The association now has more than 190 member companies, the largest group represented in any life insurance organization. The insurance in force held by this group represents more than 90 per cent of the total ordinary legal reserve life insurance in the United States and Canada.

Miss Chlo Peterson Has Risen to Real Heights

Miss Chlo Peterson, publicity director of the Business Men's Assurance of Kansas City, started with that company as a young girl in the office, coming in

from a country town. She was a so-called "list" clerk and was paid \$7 a week when she started. Later she became secretary to President W. T. Grant. She went into war service and returned to the office, taking up publicity and literary work. She gets out literature for agents, edits the agency bulletin and takes care of the publicity. She is a past president of the Business & Professional Women's Club of Kansas City and is now vice-president of the Advertising Club of Kansas City. Miss Peterson is one of the prominent business women of Kansas City and impresses all with her many charms.

Higdon Is Chief Examiner

Joseph B. Thompson, Missouri superintendent of insurance, has appointed John E. Higdon of Kansas City, as chief examiner. Mr. Higdon formerly was examiner for Texas, but during the past ten years has been in the actuarial field in Kansas City.

Tentative Program Ready for A. L. C. Annual Meeting

CONSIDERED MOST COMPLETE

Wide Range of Discussions On Pressing Problems of Business Promised
by Committees

H. H. Armstrong, vice-president of the Travelers, will speak before the American Life Convention at its annual meeting in Cincinnati the morning of Oct. 7 on "The Home Office and Its Agency Department."

So important is the subject considered by the program committee and executives of the organization that two outstanding authorities on life insurance agency problems have been requested to discuss his paper, E. S. Albritton, vice-president and manager of agencies for the Southern States Life, Atlanta, and James A. McAvoy, president of the Central States Life, St. Louis.

The program committee also announces that at the morning session Oct. 17, W. W. Jaeger, vice-president and manager of agencies for the Bankers Life, Des Moines, will speak on "What Shall We Do for the Agent Beside Giving Him a Contract and Rate Book?"

Another Important Paper

Mr. Jaeger's paper is expected to prove one of the real high lights of the annual meeting. He has given considerable thought and study to problems of training and selecting agents, and for that reason his address is certain to prove of more than average interest. Two executives who have had much successful experience in the agency end of the business will discuss Mr. Jaeger's paper, J. J. Moriarity, vice-president Missouri State Life, St. Louis, and Ted M. Simmons, manager United States agencies, Pan-American Life, New Orleans.

Leroy Lincoln, first vice-president and general counsel of the Metropolitan Life, will speak Oct. 17 on "Life Insurance and the National Business Structure." With the announcement of speakers for the Oct. 17 session the tentative program for the convention meeting is now complete, with the exception of gatherings of the Legal Section, which will be held on Oct. 15.

C. Petrus Peterson, general counsel of the Bankers Life, Lincoln, Neb., chairman of the Legal Section, and Walter H. Eckert, general counsel, Federal Life, Chicago, are putting the finishing touches on the general program for their section meeting.

John M. Laird, vice-president, Connecticut General, chairman of the program committee for the general meeting and the other members of his committee have worked hard in preparation for this year's gathering. On the whole the program is perhaps the best balanced ever presented. Every important modern life insurance problem will be discussed by men who are nationally recognized as authorities on the subjects assigned to them.

As usual, the annual golf dinner to be staged on the evening of Oct. 15, will be one of the main entertainment features. The annual golf tournament will be held on Oct. 14 and 15. Prizes will be awarded winners at the stag dinner. The course selected is a sporty one.

Owen West Dies

Owen West, 60 years old, for the past six years Kansas City manager for the Loyal American Life Association of Chicago, died recently of heart disease. He was formerly manager of the Fraternal Aid Union at Lawrence, Kan.

F. J. Wottowa, special representative from the Chicago office, has been taking care of the business since Mr. West's death.

A SUCCESSFUL RECORD

FROM its inception the Indianapolis Life has been a Purely Mutual Company, operated for the use and benefit of its Policyholders. There are no Stockholders. It can not be bought, traded or sold. During the twenty-four years of its life, the Company has been progressive and prosperous. It has kept the faith with its Policyholders and agents. It has lived up to its promises. It has furnished insurance at a very low net cost. Its dividend record is unexcelled. It has the confidence and respect of its competitors and the general public. It is still guided by the Officers who started the Company twenty-four years ago. It has a loyal and faithful agency organization, and it is permanently established in its own home office building.

In the future as in the past, the Company will keep within the lines of safe underwriting. It will indulge in no doubtful experiments. It will endeavor to keep quality, service and safety above mere size.

1905	\$325,000.00
1906	1,281,909.93
1907	2,158,315.62
1908	2,344,449.12
1909	3,037,135.59
1910	3,760,337.71
1911	4,451,264.48
1912	5,756,690.86
1913	7,011,554.27
1914	8,655,788.49
1915	10,231,921.21
1916	12,021,820.06
1917	13,665,053.54
1918	15,532,346.26
1919	20,456,374.44
1920	27,006,018.90
1921	31,275,345.88
1922	35,236,427.74
1923	40,882,131.98
1924	46,628,369.17
1925	54,432,038.01
1926	64,065,397.61
1927	75,257,687.64
1928	86,027,488.39
1929 TO SEPT.	93,000,000.00

I O W A

The Company now desires to further organize this state. We give Managers or General Agents contracts direct with the Home Office for as much territory as can be profitably handled.

SPECIAL OPENINGS

Des Moines
Dubuque

Sioux City
Waterloo

Cedar Rapids
Council Bluffs

Burlington
Mason City

Tri-Cities Agency

416-17 First Nat'l Bank Bldg.

Davenport, Iowa

For agency contracts for the Tri-Cities territory

apply to HAROLD J. PLACK, Mgr.

Agency Openings in Indiana, Illinois, Michigan, Ohio, Texas, Iowa, Minnesota, Florida and California
Apply to Frank P. Manly, President

Indianapolis Life Insurance Company
INDIANAPOLIS, INDIANA

Grange Life to Merge With the Ohio National

NOTICE FILED AT LANSING

Arrangements Have Been Completed
for the Michigan Company to Be
Liquidated Soon

LANSING, MICH., Sept. 5.—An announcement was made this week that the Grange Life of this city is to be merged with the Ohio National Life of Cincinnati. President N. P. Hull of the Grange confirmed the report today stating that there will be filed with the Michigan department a petition as required by law asking that the commissioner approve the contract of consolidation which has been ratified by the directors of both companies. The deal contemplates the Ohio National taking over the assets and liabilities of the Grange Life. The latter has about \$26,000,000 insurance in force and assets of about \$4,000,000. Its capital is \$200,000 and its last statement showed net surplus of \$617,727. The Grange Life will be liquidated, the Ohio National taking over the agency organization.

The Grange Life started business in March, 1915, and has been successful in its operation. Last year it paid a dividend of 20 percent.

Ohio National a Leader

The Ohio National Life is one of the well managed and successful midwestern companies having assets of over \$10,000,000 and capital of \$500,000. It has upwards of \$75,000,000 insurance in force. President T. W. Appleby of the Ohio National is conceded to be one of the conscientious, high grade executives in the west. He is ambitious to build up a company of quality and has rallied to his standard producers of splendid experience. The official personnel of the Ohio National Life is a guarantee of its able management. Secretary S. J. Mashill is a University of Michigan man and majored in actuarial science there. John H. Evans, the actuary, is also a graduate of the University of Michigan and served two and a half years at the same office of the Equitable Life of Iowa. E. E. Kirkpatrick, the agency head, has had a long experience in the field, having been trained in the home office of the Union Central Life. The other officers are regarded as very competent. The Grange Life feels that it is fortunate in being able to link up with such an outstanding company.

The Grange Life, while a relatively young company, has established a good volume of business, confined practically entirely to Michigan, where it has an extensive agency organization. The Ohio National Life already has about 10,000 Michigan policyholders with about \$3,000,000 insurance in force, while the Grange Life's business is considerably in excess of that figure. With the acquisition of the Lansing company, the Ohio National will have approximately \$100,000,000 of business and assets totaling about \$15,000,000. Mr. Hull said that the general policies of the two companies are quite similar and that this factor has been considered by the directors in recommending the sale.

While the main office will, of course, be removed to Cincinnati, it was said that a Michigan branch will be maintained here and the interests of the Grange Life policyholders will be looked after by part of the old organization. It is probable that Mr. Hull will remain as Michigan manager. W. D. Byrum, supervisor of agencies for the Grange Life, will probably go with the Ohio National Life organization as assistant to the agency manager. Commissioner Charles D. Livingston is in Montreal, where Michigan exam-

President Harris Plans to Retire From Company

HAS DONE EXCELLENT WORK

Western States Life Has prospered and
Grown Under His Administration as Chief

SAN FRANCISCO, Sept. 5.—There have been a number of rumors about the sale of the Western States Life of this city. Recently President Marshall C. Harris disposed of his control but retained a substantial financial interest. For two years he has desired to retire as active head of the company to devote more time to his various interests, especially his dredging and tug concern in San Francisco, which is the largest on the coast. He is 62 years of age, very active and in excellent health. He has asked that the board of directors relieve him as president at their early convenience. There is the utmost harmony in the company and Mr. Harris will be interested in its activities even when he retires as president.

With Company Since Organization

He became associated with the Western States Life as a director in 1910, the year the company was organized. H. J. Saunders was made president in 1918 and at that time Mr. Harris was elected first vice-president. In 1919 it started paying dividends to stockholders. It has kept up its record quarterly ever since. The par value of the shares was but \$10 but today sales are made running from \$60 to \$65. Mr. Harris was chosen president in July, 1923. He has served the company faithfully and most conscientiously. He has brought it to its present position of excellence. It has developed a splendid business and its organization is composed of men of superior mold.

Schenk Elected as Head of Provident's General Agents

Paul Schenk of Greensboro, N. C., was elected president of the Provident Mutual Life general agents' association at its annual convention. Mr. Schenk succeeds Nathaniel Reese of Detroit in this capacity.

Leonard Ellsworth, of Chicago, was named vice-president with Boyd M. Ogelsby, of Pittsburgh, as secretary-treasurer. Robert E. Morgan, Cleveland, was elected auditor.

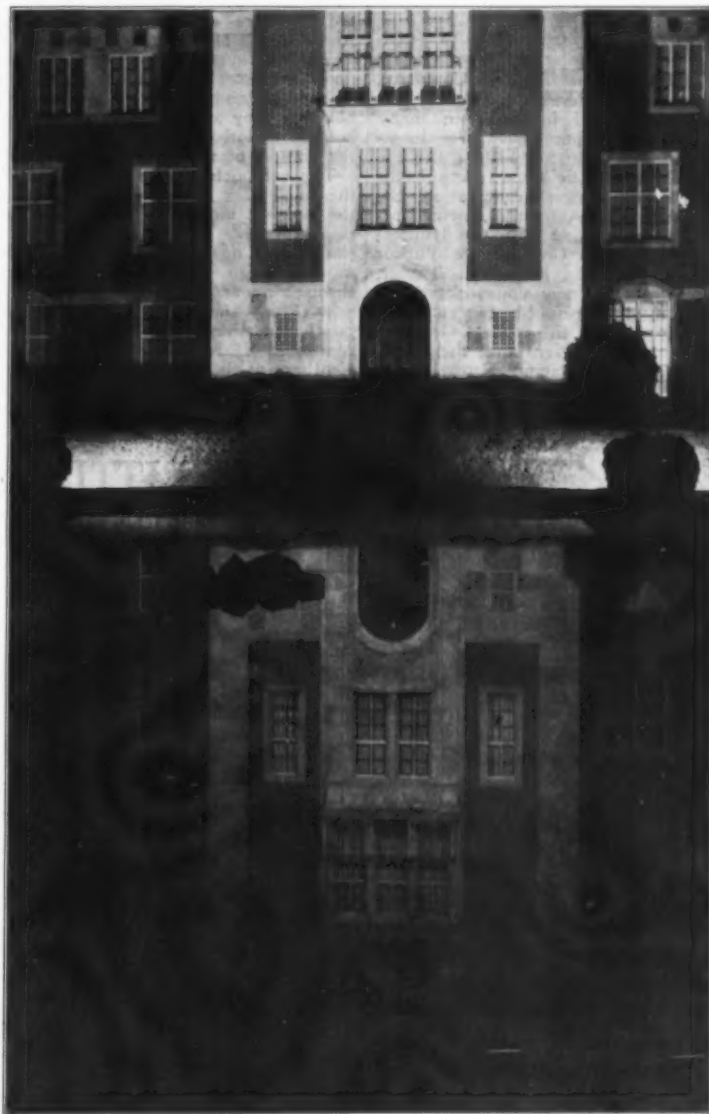
More than 100 general agents of the Provident Mutual Life attended the sessions, which were devoted to the topic of agency building by means of increasing the number and efficiency of personnel, and at which a number of speakers gave addresses, including M. Albert Linton, vice-president; Franklin C. Morss, manager of agencies; Edward W. Marshall, actuary; Dr. Herbert Old, assistant medical director; James H. Cowles, assistant manager of agencies; Henry Bossert, Jr., of the statistical department; Charles A. Tushingham, educational director, and Nelson A. White, of the advertising department.

Permits Juvenile Insurance

The last legislature in Colorado passed a law which legalizes the writing of insurance on a child 1 year old, it being permissible to increase the amount each year up to 10, when the amount is "unlimited."

iners are winding up an examination of the Sun Life, and it is improbable that he will be able to give consideration to the petition for approval for a fortnight or more.

Reflection—



Where will you be in the insurance world ten, twenty, thirty years from now?

Will you own a prosperous General Agency, or still be among the ranks of field men yet out on the firing line?

PILOT LIFE has splendid openings for General Agencies throughout the South.

T. D. BLAIR,
Agency Manager

PILOT LIFE Insurance Company

Greensboro, N. C.



Goldman-Sachs Deal Still Is Shrouded in Mystery

MUCH INTEREST ON COAST

Men Involved for Most Part Refuse to
Comment on Reports Regarding
Securing of Companies

SAN FRANCISCO, Sept. 5.—Although rumors persist in California that the Goldman-Sachs Trading Company, which recently entered the state by obtaining substantial increases in many corporations, has purchased large interests in the Western States Life and the Pacific Mutual Life's various subsidiaries, through a new organization, the Pacific American Associates, formed recently in conjunction with the Hunter-Dulin and Bond, Goodwin & Tucker investment houses, Frank L. Taylor, president of the new consolidated organization, has refused to comment upon any phase of the reports.

The report is current that the Western States Life, Pacific Mutual Life, Pacific American Fire, Pacific Indemnity and, through Bond, Goodwin &

Tucker, the Associated insurance companies, are all a part of a gigantic program of expansion and consolidation, or at least a general financial plan which will place these companies under one large managerial institution.

Phillips Denies Change in Control

Lee A. Phillips, who is vice-president of the Pacific Mutual Life and president of the Pacific Indemnity and Pacific American Fire, and O. Rey Rule, a director of those companies, are among the directors of the Pacific American Associates. Mr. Phillips stated last week that some of the merged corporations are stockholders of the Pacific Indemnity and Pacific American Fire but that they are not controlling stockholders and that there is no change in the control of those companies.

Those reported to be involved are for the most part extremely reticent about the present movement and some principals express a lack of knowledge of the proceedings. It was reported a few months ago that Goldman-Sachs, through an active San Francisco house now closely affiliated with that firm, had purchased the holdings of President Marshall Harris and Vice-President Crothers of the Western States Life, an accompanying report being that those officers would retire from active control

of the company about the first of the year. However, as far as can be ascertained, the entire situation is clouded in secrecy.

Ohio National Life Honor Club Holds Convention

The Builders Club of the Ohio National Life held its annual meeting in Chicago last week. C. H. Kahn, acting president of the club presided.

President T. W. Appleby told the agents that he believed initiative was the prime factor in the success of a life underwriter, and that initiative is nowhere of more importance than in maintaining a prospect file. Mr. Kahn told how he kept up his file and how he always gets complete information about a prospect before he calls on him. He is then able to talk to the prospect intelligently and suggest an insurance program to fit his needs. He is thus able to put over the first interview, which in a majority of cases, makes or breaks a man.

A number of agents presented their views at the round table discussions which were devoted to solving the problems that a life underwriter meets in his daily work.

Warns of Investment Trust Speculation

IS STUDIED BY "ANNALIST"

Financial Expert Sees Danger Ahead in
Those Going Heavily Into
Present Stocks

NEW YORK, Sept. 5.—With wide spread and growing interest in investment trusts, including those dealing in insurance shares, it is of some interest to note the words of warning contained in the columns of the "Annalist" for last week, the weekly column on financial markets giving considerable attention to this item. Investment trusts have become an important factor on the market of late, numerous new entries and vast increased activities of old units putting this type of investment offering to the fore. Their purchases of stocks have been heavy and it is this phase of the activity that has called forth the comment of the "Annalist's" critic—with a word of caution for the future. The article said in part:

Buy Common Stocks

"With the stock market at such a high general level it is interesting to consider the position of the investment trusts. These companies are, most of them, dedicated to the principle that common stocks, if purchased in sufficient diversification, are better long-term investments than bonds. And it is assumed that this natural advantage of stocks over bonds will be increased by the management of men skillful and experienced in the selection of securities.

"Yet, if we can take the word of brokers and newspaper financial writers, these same investment trusts have been buying stocks heavily in recent weeks. Indeed, they are often given credit for being the chief force behind the advance.

"Something Is Amiss"

"Something is surely amiss here. These investment companies, if they are, indeed, well managed, cannot be making long term commitments in common stocks at this level. Prices have been advancing for eight years and are now, in many instances, higher in relation to earnings and dividends than ever before.

"The fact is that a number of these companies, although organized originally for long-term investment, have shifted their emphasis to shorter-term speculation. They are entering the present market in the belief that they will be able to perceive signs of a coming decline far enough ahead of the general run of traders to be able to liquidate their holdings.

Some Will Lose

"That the more skillfully managed trusts will be able to get out in time there can be no doubt. But it is likewise certain that all cannot sell at the top. A good number will be left high and dry when the tide of speculation finally turns out again. This is the danger that has grown out of the shift in the trust viewpoint from long-term investment to short-term trading."

Buffalo Life on New Basis

Changing policies of the Buffalo Life Association, formerly the Masonic Life Association, will involve some 8,000 holders, according to Nelson O. Tiffany, president. This company, like other assessment companies, is now taking steps to raise rates of members who joined prior to 1919. In some instances new rates are more than five times as high as the old, although this is a very extreme example, it was said. Special representatives of the company are calling on all policyholders to explain the change and the reason for it, and there are few cancellations of insurance, it was said.

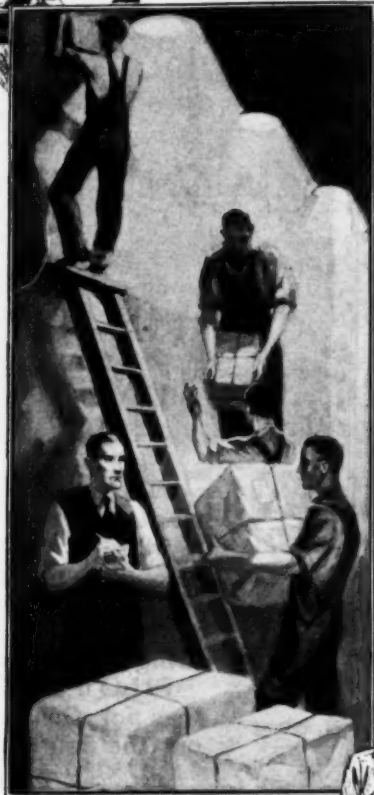
LITTLE STORIES FROM THE FILES OF A GREAT INSURANCE INSTITUTION

A NEW YORK agency wanted to open for business on the Monday morning following appointment. Telegraphic order for supplies — applications, stationery, advertising material, etc., all imprinted — was received at 11:30 Saturday morning, one hour before our quitting time.

We put the problem up to our Supply Department: Can we equip this agency by Monday morning? The answer was, "We'll try!"

At 1:30 that afternoon requisitions were completed. The entire force worked steadily all afternoon and evening, voluntarily sacrificing their half-holiday plans. When finished it was too late to secure a wagon to haul the material to the railroad station. Two employees had cars and these were both loaded to capacity. One broke down. Its contents were unloaded and carried to the railroad station a mile away, reaching

CONTINENTAL CASUALTY COMPANY
CONTINENTAL ASSURANCE COMPANY
CHICAGO ILLINOIS



there at 10:45 P. M. The material was checked in and loaded into the last car for New York. Our employees watched the material safely in the cars before going home.

The supplies arrived and were delivered to the new agency on Monday morning in time for them to open for business.

Such service, carried through every department

of our organization, means much to any agency. It is evidence of Home Office understanding and appreciation of an agent's problems and of a will-

ingness to cooperate with each and every agent at all times, regardless of time, effort and money involved.



Need for Zeal in Sales Work

**John W. Yates of Detroit Points
Out the Value of
Enthusiasm**

A. W. HOGUE A SPEAKER

**Valuable Points Brought Out in Ad-
dresses Before the Business Men's
Assurance Convention**

John W. Yates of Detroit, state manager of the Massachusetts Mutual Life, addressed the Business Men's Assurance star salesmen at Charlevoix, Mich. He now has the fourth general agency in the country in point of production. When he went with the Massachusetts Mutual in Detroit six years ago it was the twelfth. Mr. Yates said a life insurance salesman must have a burning ambition to succeed in his work. Self satisfaction, he declared, is a great foe to achievement. A man must be willing to pay the price of success. It is not an easy road. Mr. Yates said that one cannot acquire the fine things of life unless he is willing to work for them.

The mental attitude of an insurance salesman, he said, counts far more than his mental capacity. While lack of information is ignorance he said lack of action is laziness. The man who wins is the man who does. Now that the first hundred billion of life insurance has been written salesmen should get the \$200,000,000,000 vision. Mr. Yates urged agents to organize their inner selves. Every man should appreciate his capacity and should have a definite plan. He should not make life insurance soliciting a drudgery. Life insurance work he said should be made fine. It should become enjoyable. An agent should realize the great contribution he is making to the world. He should glory in what he is accomplishing. Mr. Yates said that life is a series of interrelationships. If the death of a man affects any of these relationships in a financial way life insurance can help him solve his problem.

Vice-President Hogue Speaks

A. W. Hogue, vice-president of the Business Men's Assurance, declared that there should be no point at which a man is satisfied to stop. He said that every man should have an objective but when it is reached he should have another to strive for. If a man establishes a stopping point he will no longer grow. Mr. Hogue said that an agent should have a blue print of his plans. He should outline his course definitely. He should not work haphazardly. He said that insurance companies will not develop unless they have a program and chart their way.

Mr. Hogue emphasized the necessity for having the right mental attitude. He said that the man who worries over petty things and allows small happenings to bother him will continually be in trouble. He urged men to get out of a groove if they are walking along a fixed way. When a person is unwilling to listen to constructive ideas, even if it means a change in plan, it is a sign of retrogression. Mr. Hogue urged salesmen to associate with men of greater experience. That will broaden their vision and scope. He said that when a salesman thinks he knows it all and is not willing to learn any more he has reached the stopping point.

Some men he said get a comfortable income and think it is big enough. A man should never be satisfied if he can enlarge his orbit. He should always be

Goes with Atlantic



WILLIAM M. MORRIS

William Macgregor Morris has been elected vice-president in charge of actuarial and underwriting activities of the Atlantic Life of Richmond. A native of Scotland, Mr. Morris has had a wide actuarial experience in that country as well as in Canada and the United States. He goes to the Atlantic from the Guardian Life of New York, where he was associate actuary.

Thompson Reappointed as Missouri Department Head

Governor Caulfield of Missouri has reappointed Joseph B. Thompson of Kansas City as superintendent of insurance for a four-year term ending July 1, 1933, or until his successor is named. Mr. Thompson was named superintendent last March to fill the unexpired term of Ben C. Hyde, who had resigned because of ill health.

Governor Caulfield delayed renaming Mr. Thompson until the effective date of the act which increased the salary of the superintendent from \$3,000 to \$6,000 a year. All fees heretofore collected by the superintendent for receiverships, services on boards in connection with reinsurance deals, mergers, etc., now go into the state treasury. For the past seven or eight years the \$3,000 salary plus his personal fees has netted the Missouri superintendent from \$5,000 to \$6,000 a year.

Peoples Life Agents Meet

Over 125 life insurance representatives of the Peoples Life of Indiana met at the home office in Frankfort last week for the annual agency meeting. Leaders in production from the nine states in which the company operates attended.

Arthur Louette, agency director, arranged the program.

Commissioner Clarence C. Wysong of Indiana, and Mansur B. Oakes, president of the Research & Review Service of Indianapolis, were on the program. Oliver C. Miller of Iowa, general agent, also spoke.

bigger than the business he creates. He should always be willing to improve his knowledge of his own business. Mr. Hogue said that at the home office all the salesmen are rated according to their degree of excellence, faithfulness and capability. It should be the ambition of every salesman, he said, to get in the highest class because it is from this group that promotions are made and the greatest favors are granted.

Modern policy contracts
Interest earnings high
Dividends above ordinary
Low management cost
Amplified field assistance
Never contested a death claim
Disability double indemnity

Mortality exceptionally low
Understands field problems
Trusteeship held sacred
Useful educational courses
Annual health service
Low net cost

THE MIDLAND MUTUAL LIFE INS. Co.

Established 1906

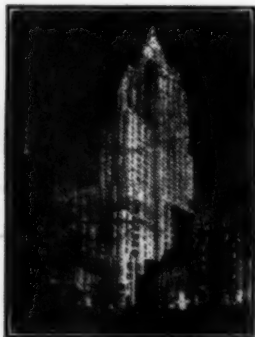
COLUMBUS, OHIO

Assets over \$17,000,000 In force over \$105,000,000

New York Life Directors

The success of any Company is primarily a matter of management—that is, of MEN. Following is a list of Directors, New York Life Insurance Company, the most recently elected being Calvin Coolidge:

LAWRENCE F. ABBOTT.....	Director	Valentine & Co.
JOHN E. ANDRUS	Manufacturer	
NATHANIEL F. AYER.....	Textiles	
CORNELIUS N. BLISS.....	Commission	Dry Goods
MORTIMER N. BUCKNER {	Chairman of Board, New	York Trust Co.
THOMAS A. BUCKNER.....	Vice-President	
NICHOLAS MURRAY BUTLER {	Pres't Columbia Uni-	versity
CALVIN COOLIDGE {	Former President of the United	States
GEORGE B. CORTELYOU..	Pres't Consolidated Gas Co.	
WALTER W. HEAD.....	Pres't State Bank of Chicago	
CHARLES D. HILLES.....	Insurance Manager	
ALBA B. JOHNSON.....	Retired, Philadelphia, Pa.	
PERCY H. JOHNSTON	Pres't Chemical Bank &	Trust Co.
WILLARD V. KING {	Chairman Advisory Board, Irving	Trust Co.
DARWIN P. KINGSLEY.....	President	
RICHARD I. MANNING.....	Farmer, Columbia, So. Carolina	
JOHN G. MILBURN.....	Lawyer	
GERRISH H. MILLIKEN.....	Deering, Milliken & Co.	
FRANK PRESBREY.....	Frank Presbrey Co., Advertising	
JOHN J. PULLEYN.....	Pres't Emigrant Ind. Savings Bank	
FLEMING H. REVELL {	Fleming H. Revell Co., Pub-	lishers
GEORGE M. REYNOLDS {	Chairman of Executive	Committee, Continental Illi-
	nois Bank & Trust Co.,	Chicago
HIRAM R. STEELE.....	Steele, DeFries & Steele, Lawyers	
JESSE ISIDORE STRAUS.....	Pres't R. H. Macy & Co., Inc.	
RIDLEY WATTS..... {	Ridley Watts & Co., Dry Goods	Commission



NEW YORK LIFE INSURANCE COMPANY

MADISON SQUARE, NEW YORK, N. Y.

DARWIN P. KINGSLEY. . . . President

Connecticut General Has Its Agency Convention

MEETING AT HOT SPRINGS

Insurance Commissioner H. P. Dunham of Connecticut Gave a Talk on "Life Insurance Today"

Approximately 400 field and home office representatives of the Connecticut General Life are attending a three-day convention at Hot Springs, Va.

President Robert W. Huntington delivered the address of welcome and Vice President Walter I. King presided over the business meetings. Howard P. Dunham, Connecticut insurance commissioner, gave a talk on "Life Insurance Today."

George W. Finn of Wilkes-Barre made the response of greeting for the agents. Hugh Kemp of Philadelphia chose "Stimulating Production" for his subject. The topic, "Practical Prospecting and Selling," was handled by Charles S. Merriam of Springfield, George R. Hassenplug of Wilkes-Barre and Thomas O'Berry of Raleigh, N. C. Stuart F. Smith of Cleveland talked on "Estate Planning" and R. Spencer McClure, Jr., of Philadelphia on "The Personal Qualifications of a Successful Agent."

Milton D. Pomeroy of Springfield and Clifton I. Reading of Providence spoke on "Increased Sales Through Income Selling" and Douglas T. Smith of Hartford on "Trust Settlements as an Aid to Selling."

Vice President John M. Laird spoke on "The Trend of Disability in Life Insurance." Attorney Claude H. Voorhees talked on "Principles an Agent Should Know" and George A. Bredehoft, field service supervisor, on "Income Planning."

Two Hundred Thousand Club Shows Big Gain in Power

The New York Life announces the membership of its \$200,000 Club, there being 846 members. Its paid insurance during the club year amounted to \$198,166,793, a gain of over \$20,000,000 as compared with the previous year. B. H. Mason of Louisville secured 233 applications for \$346,181 insurance. H. G. Mickle of Detroit secured 209 applications for \$309,375 insurance. Joseph Kesten of New York City had 114 applications for \$321,000 insurance. Others follow: Meyer Mikelbank of New York, 92 applications, \$353,500; Clyde L. Pittman of Seattle, 197 applications for \$314,754; J. P. Mendonca, of Stockton, Cal., 172 applications for \$355,975; F. J. Jansky of Green Bay, Wis., 178 applications for \$308,000; Harry Maybrook, of Chicago, 146 applications for \$316,500; W. E. Manning, of Nashville, 124 applications for \$304,407; W. A. Sherrill of Atlanta, 107 applications for \$309,593.

COOLEY WITH UNION CENTRAL

Well Known Life Man Becomes General Agent for the Company at Providence

The Union Central Life announces the appointment of Ralph W. Cooley as general agent at Providence, R. I. Mr. Cooley has had 17 years' previous experience as a life insurance man, having joined the Travelers in 1912 as agent. During his connection with that company from 1912 to 1919, he rose to be assistant state manager. In 1919 he joined the Aetna Life and was made agency manager, becoming general agent in 1926. Besides being a well-known life insurance man, he is a director of the Rhode Island Life Underwriters Association.

L. E. Whalen has been appointed general agent for the Union Central in Spokane, Wash.

Action of Modern Woodmen Head Camp Upheld by Court

COOK COUNTY JUDGE RULES

Decision Expected to be Final in Other States Since Fraternal is Illinois Corporation

The new rates and forms of certificates adopted by the head camp of the Modern Woodmen of America have been upheld by the circuit court of Cook county, Illinois.

Judge W. V. Brothers, after having heard extended argument for two days by attorneys representing the complainants as well as the society, entered the decree. Complainants at Chicago represented members in Beatrice, Neb., Springfield, Ill., and Minnesota.

Since the Modern Woodmen of America is an Illinois corporation, the decision is expected to be final. Temporary injunctions to restrain collection under the by-laws of the fraternal which have been obtained in Nebraska and Minnesota, are expected to be dissolved because of Judge Brothers' ruling.

Upholds Recent Changes

The court decree upheld the recent changes in by-laws and articles of the Modern Woodmen. It said the increase is equitable and fair and the rating of members is reasonable and necessary, and that it did not impair any contract. It further held that the society has not attempted to transfer any money for purposes prohibited by its articles of association; that the new plan of operation does not create separate classes of membership nor deprive any member from continuing membership upon equal terms with other members.

The repeal of the former 70-year disability benefit and the substitution of other benefits was fully sustained. The court also upheld the plan that insurance issued to members prior to July 1, 1919, should be valued on the accumulation basis serving each certificate holder with his contributions and interest and charging him with his share of the death losses according to the actual experience of the society from year to year where such members do not transfer their insurance to the level premium plan.

Other Points in Decree

The court also said the by-laws adopted in June, 1929, placing the fraternal on a solvent basis are justified. The decree confirms the granting of paid up insurance or cash withdrawal to members who are 70 years of age or over. In conclusion it said that the solution of the entire problem was not only legally accomplished and binding upon members affected but that the plans are fair, equitable and just to all concerned.

DO NOT ACCEPT DECISION

BEATRICE, NEB., Sept. 5.—Spoken for the insurgents in the ranks of the Modern Woodmen in Nebraska say that the claim of Woodmen head officials that the decision of the circuit court at Chicago upholding the rate schedule adopted at the recent meeting of the head camp is binding upon all other state jurisdictions is not well founded in law or in practice. The temporary injunctions issued by the Nebraska courts are still in effect, and will remain so until the court of last resort has passed upon the issues. The Nebraska insurgents sent lawyers to help the Illinois group in the Chicago court hearing, and will join in an appeal to the supreme court of that state. They insist, however, that this does not constitute a waiver of jurisdiction or subject the members in Nebraska to any decision, even of the Illinois supreme court.

Illinois Honor Agents Gather

President Stevens Deplores Disability Experience at \$100,000 Club Meeting

TRUST OFFICER TALKS

Agents Take Part in Interesting Program—Prizes Awarded for Conservation of Business

President R. W. Stevens of the Illinois Life told the members of the company's \$100,000 Club at their annual meeting last week in Chicago, that he would like to see all the companies get together and abolish the disability clause in life insurance. He said that it had been forced upon all the companies by competition and the majority of them are now sick and tired of the poor experience and the complications that have followed.

He said that total disability introduces an uncertain factor of life underwriting, formerly either a man was dead or alive; but now with exception of the regular factors like the loss of limb or vision, there is no standard definition for total disability. That uncertainty creates ill will, because if a claim is not recognized by a company, the claimant naturally looks for organization and the agents in the vicinity feel the affect of the adverse publicity.

President Stevens urged the agents not to feature disability insurance in selling life insurance and to use it only in cases where the competitive factor enters in.

Hugh T. Martin, insurance trust officer of the Foreman Trust & Savings Bank, gave a talk describing the co-operation of a trust company with a life insurance agent in handling life insurance trust. Mr. Martin said that the bank co-operates with the agent; it is not interested in any life insurance company or any agency, but gives the service to the client and the agent without charge. It regards the service as simply a part of its trust company duties.

Does Not Recommend Agent

A typical case was described by Mr. Martin. The agent interests the client and then requests the trust company to survey the client's estate. An interview is arranged without the presence of the agent. The client is asked for his life insurance policy and recommendations are made. The bank then recommends whatever additional life insurance it deems desirable. Sometimes this may be low, but in a recent case the amount was \$645,000. The bank never mentions any agent's name, but advises the client to call in his agent or broker.

Mr. Martin said that a life insurance trust does not result in quick business because the survey may require some time, and recommendations in regard to arrangements of the estates may have to be carried out before the correct amount of life insurance can be recommended. However, the bank is a believer in life insurance and the policies sometimes are large.

R. B. Daniels Presides

The annual convention was held at the home office on Lake Shore Drive. Robert B. Daniels, general agent for Kansas, won the presidency of the \$100,000 Club and presided. Mr. Daniels said he had not worked definitely for the presidency of the club, but had promised to double his personal production for the year and won the presidency in accomplishing that aim.

Ira Miller of the Northeastern Illinois

Acts as Chairman



T. G. McCONKEY

T. G. McConkey of Toronto, general manager of the Canada Life, will be one of the important factors at the time the National Convention of Insurance Commissioners meets in his city in conjunction with the Association of Insurance Superintendents of the Canadian Provinces. Mr. McConkey is general chairman of the committee on convention arrangements. He is one of the foremost company officials in the Dominion. He served as president of the Canadian Life Officers Association. He is in attendance at the meetings of the Association of Life Insurance Presidents and has been present at some of the gatherings of the National Convention of Insurance Commissioners.

agency spoke on "Why I Decided to Become a Full Time Man." Mr. Miller had been a superintendent of schools, but a friend set him to thinking of his future. He was a "bug" on life insurance and decided that would give him the best opportunity.

Keeps in Touch With Clients

R. H. Riggs spoke on "Writing Life Insurance for Fun." He is a part-time man. He told of the pleasure in overcoming the many difficulties a life insurance man has to face and the satisfaction he gets out of rendering the valuable service life insurance offers.

A. P. Griffin of Georgia told of the obligation of modern education to life insurance. John G. Brinkley, Oklahoma, who won the conservation prize with a renewal record of 94.10 per cent, told how he kept in personal touch with his policyholders, which not only resulted in the renewal orders but also a great deal of new business. The ability to keep from letting disappointment get the best of him is something an agent should cultivate said William T. Pursell, one of the outstanding producers. Mr. Pursell said that an agent should not allow himself to get depressed if a medical examiner turns down the application or if a case falls through for some other reason.

Prizes were awarded to five members of the club for conservation of business. John G. Brinkley of Oklahoma won first prize, \$100 in gold, with a renewal percentage of 94.10. Four other prizes of \$50 each were awarded to N. Stanley Peterson of Chicago, Daniel B. Ryan, Mr. Daniels and Christian F. Kneel of Kansas. Mr. Brinkley made a special effort for the first prize and won. In June he stood sixth instead of first. He took a list of policies that had lapsed during the year and reinstated so many of them that he moved up to first place. At the same time he wrote \$50,000 in new business in June, so that his effort paid both ways.

Biloxi Bound!



The golf course at Biloxi has been justly described as one of the finest and most scenic of the entire South. It covers 175 acres of rolling land, dotted with beautiful trees and engaging water hazards—a veritable paradise for lovers of this fascinating pastime. The Pan-American Golf Tournament is held annually at Biloxi—another proof of the popularity of the course and the pleasures of the resort.

Next January, when members of the American Central Field Club assemble at Biloxi for a well-earned period of relaxation, those who golf will indeed enjoy the thrill of thrills—perfect weather and a perfect course! Certainly it pays big dividends to be an American Central Field Club member!



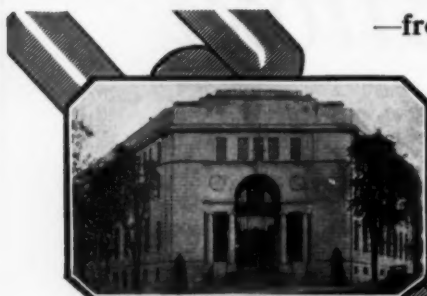
Just one of the many reasons why American Central representatives are happy and successful.



No. 5 of a Series

**"In ten years experience,
never such co-operation."**

—from an *unsolicited* letter



**N^WNL Fieldmen
know that a
strong link of
helpful service
binds them to
their Home
Office**

"I WANT you to know," declares a general agent who has been with N^WNL only a few months in a letter to the Home Office, "that during the ten years I have been in the life insurance business I have never known of a Company that extended the same helpful co-operation to the Fieldman that I have been the recipient of at the hands of Northwestern National. If an Agent cannot succeed with such a Company, the fault, I believe, rests with the Agent and not with the Company."

Such expressions of satisfaction from Agents who have "found themselves" with N^WNL are not received daily, or even once a week. But they come often enough to prove that there is a bond between N^WNL Fieldmen and their Company which cannot be rightly illustrated with ink and paper.

Analyzed into its parts, this bond would resolve itself into ten elements of superior equipment offered Fieldmen by N^WNL, which are listed below.

N^WNL's Ten Points of Superior Service:

- | | |
|------------------------------|--|
| 1. Non-Medical Privileges | 7. Age limits from birth to 65 years |
| 2. Substandard Service | 8. Participating and Non-Participating Insurance |
| 3. Group Insurance | 9. Mail Advertising service |
| 4. Salary Savings | 10. Policyholders' Health Service |
| 5. Low Ratio of Rejection | |
| 6. Liberal Disability Clause | |

**NORTHWESTERN NATIONAL
LIFE INSURANCE COMPANY**

O. J. ARNOLD, PRESIDENT

STRONG ~ Minneapolis, Minn. ~ LIBERAL

MORE THAN \$300,000,000 OF INSURANCE IN FORCE

**West Coasters Plan Big
Jubilee for 20th Year**

DISCUSSED AT CONVENTION

**Lake Tahoe Is Scene of Well Attended
Annual Agency Meeting of Cali-
fornia Company**

BY F. W. BLAND

The annual convention of the El Dorado Club of the Western States Life, San Francisco, was held Aug. 29, 30 and 31 at Lake Tahoe, Cal., attendance including delegates, ladies, guests and home office officials numbering 194, one of the largest conventions in the company's history.

Home officials present were Marshall C. Harris, president; T. O. Brothers, vice-president; J. U. Hawley, vice-president, and general counsel; George E. Brothers and Arthur D. King, vice-presidents; George H. Kahn, director; Bernard W. Ford, director and member of the executive committee; T. A. East, assistant secretary; J. W. Pearson, inspector of agencies; Marcus Gunn, actuary; D. A. Dickie, auditor, and C. W. Hollebaugh, field secretary and convention manager. States represented at the meeting were California, Oregon, Washington, Utah, Nevada and Wyoming.

Business in Mornings

President Harris welcomed the club members and in a brief address spoke of the spirit of the company, its consistent growth and its splendid financial condition. Thomas Gallagher of the Russ Building agency at San Francisco, was elected president of the club, being the leading agent during the year with paid-for production of \$1,055,000.

The agent winning the vice-presidency was H. Sumida of the Fresno, Cal., agency. The "Harry Ford" loving cup, a tradition in the history of the organization, was presented to George T. Carmona, manager, Russ Building agency, by T. C. Crothers.

Conservation Prize Award

The first prize for conservation of business went to R. Tomlinson, also of the Russ Building agency. Mr. Tomlinson went to the convention with a perfect score, having renewed 100 percent of his previous year's business. A check for \$1,000 was presented to Thos. Gallagher for his production of over \$1,000,000 and a renewal record of over 85 percent. The H. H. Hoyt agency at Los Angeles leads in paid for business and had the largest number of delegates present.

Next year will be the 20th anniversary and a public celebration is planned. The business sessions closed with the introduction by President Harris of B. W. Ford, whose organization has recently purchased the largest financial interest in the company. Mr. Ford is a director and member of the executive committee. He was in the life insurance business from 1912 to 1919. Mr. Ford is comparatively a young man and his connection with Western States will strengthen the company considerably.

He stated emphatically that Western States is not to be sold. The company will be built, he assured the convention, and he said he had no personal desire for management; that those in official positions were certain of greater opportunities.

Clifford W. Hollebaugh, general convention manager, arranged all the details. Mr. Hollebaugh wrote a playlet, "Legends of Lake Tahoe," which was staged the first night on the beach. Indian legends of Lake Tahoe were portrayed and the character of Chief Truckee, the principal role, was acted by R. J. Gilfillan of the Russ Building agency.

**Provident Mutual's Honor
Club Installs Officers**

SELIG MADE PRESIDENT

**Edward W. Marshall Heads Home
Office Men on Program—Award
Conservation Prize**

Charles Selig of New York was installed as president of the Quarter Million Club of the Provident Mutual Life of Philadelphia at its annual convention in Detroit last week.

C. Vivian Anderson of Cincinnati was named first vice-president; Isaac P. Miller, of Philadelphia, second vice-president; Arthur J. Miller of New York, third vice-president; John L. Simons of eastern Pennsylvania, fourth vice-president, and W. Laurence Mason of Philadelphia, secretary-treasurer.

Donald T. MacKinnon, retiring president of Detroit, opened the first business session. Andrew J. Davis, vice-president, and Isaac P. Miller, of the Philadelphia agency paid tribute to the memory of John Way, deceased vice-president of the company, and to J. Smith Hart.

The installation of officers and introduction of new members took place under the direction of Willard Ewing, assistant to the manager of agencies, and M. Albert Linton, vice-president, Edward W. Marshall, actuary, and Charles A. Tushingham, educational director, answered a number of questions concerning the writing of Provident Mutual policies, after which Franklin C. Morss, manager of agencies, presented cups to Isaac Miller and Donald MacKinnon.

Thursday afternoon was given over to golf and the Friday morning session was devoted entirely to three group meetings on underwriting problems under the direction of W. L. Mason, secretary-treasurer; C. Vivian Anderson, first vice-president, and Isaac P. Miller, second vice-president.

**Fidelity Mutual Agents
Arrange for Convention**

The Fidelity Mutual Leaders Club, the agency organization, will hold its annual meeting at Atlantic City, Sept. 9-12. Frank H. Sykes, vice-president, will open the convention and there will be a greeting by President Walter LeMar Talbot. The speakers will be L. A. Mershon, former secretary, trust company division, American Bankers Association on "Balancing an Estate"; C. M. Hunsicker of Philadelphia on "Never Mind the Policy—Discover the Prospect's Needs"; John W. Oliver of Philadelphia on "Underwriting Life's Possibilities"; E. H. Schaeffer of Harrisburg on "Programming"; Secretary R. F. Tull and Thomas F. Guthrie of Minneapolis on "Know Your Company"; L. B. Hendershot of the field service department of the Life Insurance Sales Research Bureau on "Prospecting"; L. A. Cerf, Jr., of New York on "The Little Program Plan"; R. L. Taulor, Memphis, on "Life Insurance Salesmanship"; L. S. Wilson of Easton on "The New Dividend Book"; Vice-President G. H. Wilson on "Trusts and Business Insurance Agreements"; F. W. Heron, assistant manager of agencies, on "Standardized Sales Talks."

There will be round table meetings, one on business insurance and another on new business selection. On the last session there will be rapid fire talk by M. L. Bangham of Cincinnati; P. H. Fraser, Atlanta; C. L. Gregg, Topeka; A. H. Hogan, Chicago; C. J. Seltzer, Jr., Philadelphia; T. E. Tonguay, Hartford. Assistant Actuary H. G. Hurd will talk on "Rated Disability and Double Death Benefits." J. R. Sykes, vice-president, will speak on "Conservation."

"All work and no play makes Jack a dull boy"

Sometimes we have a contest just for the fun of it, other times "for blood"—but generally for prizes.

In April last year the field took Joseph W. Jones (Agency Vice President) on a birthday fishing trip. He caught 1779 little toy fish, now mounted and framed in his office. Every fish meant an app. That contest—for fun—was a world beater.

This summer we're trying a new game—"The Mental Hazard Handicap"—for prizes. Every man is matched against his own production record, and if he can whip himself—he wins.

No dull days for us, thank you! The spice of variety makes keener salesmen.

**THE FRANKLIN LIFE
INSURANCE COMPANY**



Opportunity Beckons!

Men of ability and character, who are willing to give all they have to the organization and development of territory in the service of the

SPRINGFIELD LIFE

who are ambitious to enlarge their personal income tremendously, are invited to get into touch with the home office, at Springfield, Ill., at once.

All Standard Policies written, with or without Permanent Disability, Premium Waiver and Double Indemnity.

\$1.00 A MONTH

Buys regular Old Line Ordinary Life Insurance for children, age six months up, and the same life insurance proposition is available to adults—age one day to 60 years.

Big Money for the Go-Getter

Send your inquiry directly and now, to
A. L. HEREFORD, President

**SPRINGFIELD LIFE
INSURANCE COMPANY**
SPRINGFIELD,
ILLINOIS



All You Need In Accident Insurance

Our new "Brokers' Outline of Accident Insurance" gives all the information you need to select the right kind of contract for your prospect.

Send for a copy of this and for a set of circulars for prospects describing each contract.

**Connecticut General
Life Insurance Company**
Hartford, Conn.

INSURANCE STOCKS

Bought—Sold—Quoted



P. W. CHAPMAN & CO., INC.

Insurance Stock Department

115 W. Adams St.
CHICAGO

42 Cedar Street
NEW YORK

Arnold Challenges Agents to Improve Past Record

MEET AT NIAGARA FALLS

Eastern Field Men, Northwestern National Life, Gather—Selling to Old Policyholders Reduces Lapses

A challenge to field men of the Northwestern National Life of Minneapolis to improve upon the excellent record which they have made during the past 12 months, was issued by President O. J. Arnold in his address which opened the company's eastern regional convention at Niagara Falls last week.

Three lively business sessions and a banquet occupied the three days devoted to this convention, the final meeting in the series of three held for the agency organization in August.

Mr. Arnold advocated the sale of new insurance to old policyholders as one way to cut the lapse ratio. Of the company's new business for the first six months of 1929, \$7,000,000 was written on the lives of old policyholders, as against \$5,000,000 for the first six months of 1928.

"While we increased our new paid-for business by 26 percent in the 12 months ending July 31, we increased our gain and total paid-for insurance in force 36 percent," Mr. Arnold said. "Our paid-for insurance in force is now in excess of \$308,000,000, and our assets over \$35,000,000."

Defines "Prospect"

G. H. Pettit of Ohio told how he had "put it over" in his first year in the business. Paul Field of Michigan branded mail advertising service as a valuable tool to help the agent make a start in any new locality.

"Club your way to success," was the advice of George I. Jensen of Michigan, who spoke on company clubs. The question "what is a prospect?" was answered by Randolph Schmalhorst of Ohio, who defined the prospect as "an insurable person who has the means to pay a premium, who can be approached and sold by a particular agent without unreasonable expenditure of time and energy."

"Vital Steps in the Interview" was the subject of Frank J. Seibel of Michigan. Mr. Seibel stressed the pre-approach as the most important step. H. B. Allen of Michigan, explained his sales talk on pension bond, while a demonstration of a "Stepping Stone" presentation form was given by E. P. Balkema of Michigan, and J. D. Barlow of Michigan talked on the 30 year endowment policy.

California State Life's El Capitan Club Meets

CORONADO, CAL., Sept. 5.—The California State Life held its annual meeting of El Capitan Producers Club here. Fifty men qualified for the club and this year's gathering was the largest in history of the company.

In disposing of club honors on the basis of paid business within the club year, Robert E. Watson of San Francisco was elected president. This is the third year Mr. Watson had led the agency staff in paid business. George W. Coe of Sacramento was named first vice-president; L. A. Dennis of Red Bluff second vice-president, and Lahroy C. White of Amarillo, Tex., third vice-president. Total business paid for during the club year by the members was \$9,714,105.

President J. Roy Kruse announced that the insurance in force of the California State Life is now \$105,724,000, a gain of more than \$5,000,000 since Jan. 1. He said the gain in admitted assets had been in proportion to the gain of insurance in force. It was also stated

Atlantic Life Aces Meet at Richmond for Convention

AWARD PRODUCTION PRIZES

President Angus O. Swink Speaks
New Business in August Shows
60 Percent Gain

RICHMOND, VA., Sept. 5.—Over 150 representatives of the Atlantic Life attended the annual Aces' convention last week. President Angus O. Swink presided at the banquet. W. C. Woodard, general agent at Rocky Mount, N. C., was introduced as the convention president. He was the company's leader in volume of premiums paid for during the club year. Angus L. Faulconer, convention vice-president, was the leader in the number of lives insured during the same period.

William H. Harrison, vice-president and superintendent of agencies, presented 22 new general agents appointed since the last convention. The president cup was awarded Atlantic Agency, general agents at Richmond. This cup is awarded each year to the general agent which has the best renewal record in business paid for during the preceding club year. W. C. Woodard, winner in 1928, was second this year.

Receives Service Pin

To Colonel Edward Everard Gwyn, of Emporia, belongs the distinction of being the first agent ever to receive a 25-year service pin from the company. In addition to this pin awarded him other pins and prizes for meritorious work were also awarded. Dr. Joseph H. Smith, district agent at Petersburg, was awarded a 20-year service pin.

The general topic of the convention was "Cooperation for Progress," which was discussed by Vice-President Harrison. Edmund A. Saunders, chairman of the board, discussed "Life Insurance Contributor to Progress." He told how life insurance has contributed to the industrial growth of the country.

Cooperation Means Progress

Dr. Smith spoke on "Cooperation with Your Company and Clients Means Progress for All." He was followed by Frank P. Righter, medical director. Dr. Righter discussed the problems of field men from the standpoint of the underwriting department of the home office. He showed how the field and home office can cooperate in such a way as to bring about quicker issuance of policies after applications are received.

that in each month for first half of 1929 new all-time monthly records in production of written business had been set, the total representing a gain of 43.8 percent over the production for the corresponding period of 1928.

Dr. S. E. Simmons, vice-president and medical director, revealed in open discussion that the company is making a close study of its experience with total disability income hazards, and that in view of the liberality of its contracts it has been found advisable to adopt a policy of closer scrutiny of applicants for this feature.

A conference was conducted by James L. Collins, superintendent of agencies in the form of a sales congress. Mr. Collins, who took over the direction of the agency department last February, announced plans for expansion of the field force through the company's operating territory in 1930. His program contemplates a series of regional conferences by which practically every field representative will be contacted by Mr. Collins and his assistants.

Atlantic Life is well ahead of its record and feels confident of reaching a goal of \$35,000,000 of paid business in 1929. August was approximately 60 percent ahead of the corresponding month of last year.

Wins Presidency of Club Despite Executive Duties

MAY LEADS SECURITY LIFE

Installation as Head of \$250,000 Group
Is One Feature of Annual Conven-
tion in Chicago

Fifty-one field men and women of the Security Life of Chicago from the entire western half of the United States held the conventions of their \$250,000 and \$125,000 clubs in Chicago this week. Of particular interest was the fact that F. G. May, head of the Arkansas agency at Pine Bluff won the presidency of the \$250,000 club with \$350,000 personal production, of which \$110,000 was in August, although he devoted most of his time to agency building, and in fact did nothing else during June but search for agents. This was the fourth time that Mr. May had led the Security's forces.

Several other men and two women were not far behind, however. Nathan Kaflan of Detroit became vice-president with \$297,000, S. H. Silver of San Francisco, second vice-president with \$266,000 and B. T. Langenhof third vice-president with \$257,000.

Guba Also Honored

A. Guba of Gary, Ind., won presidency of the \$125,000 club with \$218,000 paid for; A. R. Lyons of San Francisco, first vice-president with \$206,000, and M. Kauffman of Detroit and W. E. Boulds of Louisville won the second and third vice-presidencies respectively. A woman, Miss M. E. Card of Detroit was a close runner-up for an official post with \$256,000 paid for production, and Miss Bess Kennedy of Oakland, Cal., paid for \$166,000. There were eight qualified for the more select club and 43 for the \$125,000 club.

Vice-President S. W. Goss led off the opening session Wednesday morning with emphasis on the recent accomplishment of \$100,000,000,000 of American life insurance in force.

JAMES ELTON BRAGG TAKES NEW YORK UNIVERSITY POST

James Elton Bragg, formerly of New York and eminent in the life insurance business nationally, has resigned as general agent for the Union Central Life at Philadelphia, where he has been located for the past two years, to become professor of life insurance and director of the life insurance course at New York University, succeeding Dr. R. E. Reitzer, who has resigned to return to production work in life insurance. Mr. Bragg is returning to his old field where he spent many years in agency and home office work before going to Philadelphia, for in New York he was long engaged in numerous activities, including teaching at New York University, to which he is now returning. His past connections include the agency vice-presidency of the Manhattan Life, to which post he was elevated when he was but 32 years old and only six years in the business. He is nationally known, for he has directed the program for the annual convention of the National Association of Life Underwriters for two years and was slated for the presidency of that association this year, which honor he turned down. He is known for his educational work beyond his local field, having taught life insurance at New York University, the University of Buffalo, the University of Oklahoma and the University of Pittsburgh. As an agency manager he built and directed large organizations and in his second year in Philadelphia he increased his agency's business 67 percent. He has a broad life insurance background and is unusually fitted for directing the work at New York University.

New York City Agencies Show Big Gain in August

RECOVER FROM JULY SLUMP

Ives & Myrick of Mutual Life of New
York Hold Lead with
\$3,051,791

NEW YORK, Sept. 5.—August production showed good gains in most New York City agencies, recovering from the slump which appeared to set in the month before. Several agencies have made striking gains and it is apparent now that the city business will come through in most cases to a new record year's total at the end of 1929. Ives & Myrick of the Mutual Life of New York led the city with a paid business of \$3,051,791, compared with \$2,770,350 last August, the year to date total being \$33,553,507, compared with \$30,878,321 last year. Beers & DeLong of the Mutual Benefit were second with an August total of \$2,931,500, compared with \$2,239,217 last August and their year to date total was \$22,506,900, compared with \$20,589,568 last year.

Agency Totals Compared

The Charles B. Knight agency of the Union Central paid for \$2,716,300 in August, bringing the year to date total to \$29,334,541, compared with \$26,977,292 last year. R. H. Keffer of the Aetna Life paid for \$2,322,240 in August compared with \$1,759,700 last August, bringing the year to date figure to \$26,713,228, compared with \$21,317,422 last year. The J. Elliott Hall agency of the Penn Mutual Life paid for \$2,206,300 in August, compared with \$2,877,313 last August, bringing the year's total to \$25,600,398, compared with \$24,236,752 last year. The Keane-Patterson agency of the Massachusetts Mutual has paid for \$14,320,274 thus far this year, compared with \$9,284,693 last year. The Frank Pennell agency of the State Mutual Life has brought its year to date total up to \$4,542,160, about 40 percent ahead of last year and putting it in the lead of the agency organization of that company, which it has led for the past three months.

NEW YORK HEARING SHOWS VARIED VIEWS ON DISABILITY (CONTINUED FROM PAGE 3)

willing to approve the proposed standard in order to effect the needed uniformity.

Prudential Men for Flexibility

James F. Little, associate actuary, and Alfred Hurrell, vice-president of the Prudential, both spoke on the item of liberality of definition. Expressing the opinion of the Prudential that the proposed standard should be made flexible enough to permit the Mutual Benefit clause. Mr. Little read a letter from President Duffield of the Prudential to President Hardin of the Mutual Benefit, giving this approval and Mr. Hurrell added to the opinion with a discussion of the probability that the clause might work to very satisfactory conclusions.

Other Companies Give Views

A. T. Maclean of the Massachusetts Mutual also expressed approval of this definition of total disability. Suggesting that it should be granted as optional. The Bankers Life expressed full approval, urging that a revised definition be adopted which would permit the Mutual Benefit clause and also the professional man's policy of the Bankers, which is not allowed by the proposed code. The Pacific Mutual expressed approval and admiration of the Mutual Benefit policy, referring in particular to its adoption of proration.

James A. Fulton, agency vice-president of the Home Life of New York was present as a non-actuarial man and spoke from the agency viewpoint.

Life Companies and Trust Organizations

If we examine the scope of the services performed by life insurance companies and trust organizations—including in the latter term trust sections of commercial banks—we shall find a broad field of co-operation.

While the general character of each is fiduciary, the two instrumentalities are not natural competitors. They are more nearly like allies although their activities are distinctive.

Each suggests, initiates, activity for the other. Each furnishes service for which the other is not equipped; one the insurance of the productive value, accumulated and prospective, of human life; the other the administration of trusteeships, of which many proceed from life insurance.

There is no doubt that the two can supplement as well as complement each other, and it is noteworthy that the banks and trust companies have realized this fact and applied it in a practical way. On the other hand, it is evident to me that a corresponding interest in the promotion of the welfare of the banking and trust companies is now a part of the program of every wide-awake life insurance man.

WALTON L. CROCKER, *President*



Yes, Sure, It's Hot!

Mark Twain said, "Everyone talks about the weather, but nothing is ever done about it."

Yes, we know it is hot, but there is evidence that our field men don't know it for they are pounding away most successfully.

But, we need more good men. Here are a few openings:

Ohio
Indiana

Michigan
Kentucky

Illinois

WRITE TO US AT ONCE!

THE BANKERS RESERVE LIFE COMPANY

Home Office: Omaha, Nebraska

Business in Force \$127,000,000.00

STATE MUTUAL LIFE ASSURANCE COMPANY

OF
WORCESTER, MASSACHUSETTS

**Announces the
Extension of its Territory
to the West Coast
and
Its Entrance into
the State of Kansas**

**INCORPORATED — 1844
AND NOW IN ITS
EIGHTY-FIFTH YEAR OF SERVICE**

STATE MANAGER FOR NEBRASKA

Contract second to none, on commission and renewal basis. Allowance for office rent and telephone. No advance—no salary. If you are a producer and can organize a sales force this is the contract you want—write

O. L. HOLLAND, President

**AMERICAN NATIONAL
ASSURANCE CO.**

3719 Washington Blvd., St. Louis, Mo.

Washington Plans Are Rounded Out

(CONTINUED FROM PAGE 3)

members of the Million Dollar Round Table.

8 a. m.—Breakfast (complimentary) salaried executives of local associations.
8 a. m.—Breakfast (complimentary) representatives of the press.

Morning Session

(9:15 a. m.—1 p. m.)
9:15 a. m.—Singing. David E. Sprague.
9:30 a. m.—Invocation.
9:35 a. m.—Address of welcome by Harold D. Krafft, president, Life Underwriters Association of the District of Columbia and commissioner of the District of Columbia.
9:50 a. m.—Opening of the convention by Paul F. Clark, president, National Association of Life Underwriters.
10:15 a. m.—Inside story of what the trustees and executive committee have done by Julian S. Myrick, chairman executive committee, National Association of Life Underwriters.
10:25 a. m.—Appointment of nominating committee and announcements.
10:35 a. m.—Tribute to the memory of George D. Alder by J. Stanley Edwards of Denver, ex-president, National Association of Life Underwriters.
10:50 a. m.—"Creating the Second Hundred Billion," by Jerome Clark, assistant superintendent of agencies, Union Central Life.
11:35 a. m.—"The Conservation of Human Life in the Era of the Second Hundred Billion," by Harold A. Ley, president, Life Extension Institute.
12 m.—Singing. David E. Sprague.
12:15 p. m.—"The Market for the Second Hundred Billion," by Walton L. Crocker, president, John Hancock Mutual Life.
1 p. m.—Announcements and adjournment.

Afternoon Session

(2:00 p. m.—5:00 p. m.)
2 p. m.—Singing. David E. Sprague.
2:10 p. m.—Introduction of distinguished and special guests by Paul F. Clark.
2:45 p. m.—"Conserving the First While We Create the Second Hundred Billion," by Thomas I. Parkinson, president, Equitable Life.
3:20 p. m.—An echo from the Million Dollar Round Table.
3:35 p. m.—"Selling to Women in the Era of the Second Hundred Billion," by Emma H. Ditzler, Frazer agency, New York, Connecticut Mutual Life.
4:10 p. m.—An echo from the Million Dollar Round Table.
4:25 p. m.—"The Second Hundred Billion Salesman: He Faces East," by Roger B. Hull, managing director and general counsel, National Association of Life Underwriters.
5 p. m.—Announcements and adjournment.

Evening

8 p. m.—Reception, Grand Ball Room, Mayflower Hotel, in honor of Paul F. Clark.
"Washington from Dawn to Dusk," talk by Charles Colfax Long.
Reception followed by music and dancing.

Thursday, September 26

8 a. m.—Breakfast (complimentary to the officers of the life insurance companies, insurance commissioners and superintendents, special guests, representatives of affiliated life insurance organizations, officers and trustees of the National Association of Life Underwriters.)
8 a. m.—Breakfast (Dutch-treat). Women of the profession and guests.

Morning Session

(9 a. m.—1 p. m.)
9 a. m.—Singing. David E. Sprague.
9:10 a. m.—Invocation.
9:30 a. m.—"Setting 'Em Up for the Second Hundred Billion," by Arthur E. Bagley, national health broadcaster, Metropolitan Life.
9:50 a. m.—"Underwriting Business Purchase Agreements," by A. Rushton Allen, general agent, Union Central Life, Philadelphia.
10:30 a. m.—An echo from the Million Dollar Round Table.
10:45 a. m.—"Investment Trends in the Era of the Second Hundred Billion," by Frederick H. Ecker, president, Metropolitan Life.
11:15 a. m.—Singing. David E. Sprague.
11:25 a. m.—"Missions and Methods of the Average Producer in the Era of the Second Hundred Billion," by Harold J. Cummings, superintendent of agencies, Minnesota Mutual Life.
12:05 p. m.—Talk (subject to be announced), by Edward M. McMahon, insurance trust officer, Equitable Trust Company of New York.
12:25 a. m.—"Selling Efficiency Tempered with Human Sympathy," by John Y. Yates, general agent, Massachusetts Mutual Life, Detroit.
1 p. m.—Announcements and adjournment.

Afternoon

2-4:15 p. m.—Special session, agency management group meeting under the direction of John Marshall Holcombe, Jr., Life Insurance Sales Research Bureau.
2 p. m.—Boat trip to Mount Vernon—guests of the Life Underwriters Association.

Grant Plans to Build a Fleet

(CONTINUED FROM PAGE 3)

sets at the end of the year were almost \$5,500,000. Its total income life, accident and health last year was \$6,000,000. It is banking now \$20,000 a day. President Grant said that there are at the present time about 1,000 people in office and field depending on the company. There are some 600 men acting as agents and supervisors in the field.

When Mr. Grant started the company he personally had to buy the office furniture because he only had \$5,000 deposited in the bank and that was to be used in payment of claims. The company started as the Business Men's Accident, writing accident insurance largely on the plan of the commercial travelers associations. Later it took on health insurance. Then it changed to the Business Men's Assurance, a stock legal reserve company, and started writing life insurance. At the end of the year it had \$65,014,044 insurance in force, having written over \$36,000,000 new business during the year.

President Grant predicted that at the end of 1935 his company would have \$250,000,000 insurance in force, that its accident and health income would be \$6,000,000 and that there would be 500 members of its star salesmen organization. President Grant stated that he believed that during the next 10 years insurance would continue to show a remarkable development. Everything, he said, points to an increased demand for insurance. The insurance salesman, he thinks, occupies an enviable position because regardless of changing conditions in business it means that there will be an increased demand for insurance protection. The Business Men's Assurance has 150,000 policyholders. Under the dynamic personality of Mr. Grant and his unbounded enthusiasm the company has extended its operations in all directions but has always had its feet on the ground and planted its roots firmly in the soil. Mr. Grant has with him excellent associates and has a splendid field organization.

tion of the District of Columbia. Music, dancing, refreshments, entertainment. (Special conveyance will be provided later for those attending agency management group meeting.)

Friday, September 27

8 a. m.—Breakfast (Dutch treat). Officers, trustees, members of the executive committee of the National Association and officers of local associations.

Morning Session

(9:00 a. m.—1:00 p. m.)
9 a. m.—Singing. Pullman Porters' Quartet.
9:10 a. m.—Invocation.
9:20 a. m.—Report of nominating committee and election of officers.
9:35 a. m.—Report of resolutions committee by Chester O. Fischer, chairman.
9:50 a. m.—"The American College of Life Underwriters" by Dr. S. S. Huebner, dean of the College.
10:40 a. m.—Presentation of diplomas to Chartered Life Underwriters by Ernest J. Clark, president of the College.
11:10 a. m.—"The Edward A. Woods Foundation" by W. M. Duff, secretary of the College and general chairman of the Foundation.
11:25 a. m.—Singing, Pullman Porters' Quartette.
11:40 a. m.—"The Beginner in the Era of the Second Hundred Billion" by G. Gilson Terberry, agent Mutual Benefit Life, New York City.
12:15 p. m.—"The Mission of the Industrial Agent in the Era of the Second Hundred Billion" by Edward D. Duffield, president, Prudential.
12:55 p. m.—Singing, Pullman Porters' Quartette.
1:00 p. m.—Announcements and adjournment.
1:15 p. m.—Luncheon—organization meeting of the new board of trustees.

Afternoon Session

(2-4:30 p. m.)
2 p. m.—Singing, Pullman Porters' Quartet.
2:20 p. m.—(Speaker to be announced).
2:45 p. m.—"Mass Insurance in the Era of the Second Hundred Billion" by H. H. Armstrong, vice-president, Travelers.
3:25 p. m.—An echo from the Million Dollar Round Table.
3:40 p. m.—"Stowaways" by William B. Burruss.
4:25 p. m.—Announcements.
4:30 p. m.—Adjournment. Sine Die.

Big Society in Rerating Work

(CONTINUED FROM PAGE 5)

nals have rerated, changing from the current cost system to the reserve plan, on both new and old business. The new certificates provide for paid up insurance, cash and extended loan values, double indemnity, limited accident benefits and term insurance, in addition to the special whole life, 30 year and 20 year payment life and ordinary whole life. Other options have provided for the older members. Also, certificates are payable in monthly installments over a long period instead of a lump sum, four percent interest being paid on the money left with the society.

"Thirty-six percent of the total insurance in force, held by 420,000 members, is unaffected by any changes. Those entering the society after July 1, 1919, are already contributing on an adequate basis. For the benefit of those who are affected by the changes about \$23,000,000 as surplus fund has been set aside and they furthermore have the option of continuing payment of old rates and accepting benefits in the form of term insurance for the full amount of their certificates, or whole life insurance for a reduced amount. If they elect to pay the rates at attained age on their next birthday they will receive paid up or extended insurance, or automatic assessment loans after three years membership, with cash withdrawal benefits at the age of 70 or over, on any of three forms of certificates, and paid up or cash withdrawal benefits at the age of 70 or over, on another form of certificate. Already between \$10,000,000 and \$12,000,000 of business has been transferred to the new basis.

Seven Millions Excess Claims

"It was found that from Jan. 1, to June 1, 1929, the payments for death claims and 70-year benefits exceeded benefits fund income from assessments paid by the members in the sum of \$3,718,471. On Dec. 31, 1928 there was \$1,123,919,000 insurance in force issued prior to July 1, 1919, and this group paid into the society for the purpose of paying claims during 1928 \$16,060,011 and took out of the society in death losses and disability benefits \$23,243,500 or over \$7,000,000 more than they paid in. From 1883 to 1913 inclusive, three changes in monthly rate payments of old and new members in increased amounts were made, but all such changes had either been arbitrary raises or the result of compromises. Deficiencies accumulated until it was decided to establish a full reserve basis for all certificates. It was estimated that had the rates not been changed it would have taken more than the present \$40,000,000 of surplus plus interest to pay death claims resulting during the next five or six years.

"On Dec. 31 last of the \$1,123,000,000 old business in force \$719,523,500 was on members over 50 years of age, and

in the year 1928 this group contributed nearly \$11,000,000 less than was paid out for death benefits for that group. In 1928 it took practically all the receipts from assessments of the entire membership to pay death claims arising from members of 50 years of age or over. The following distribution was made of the \$40,000,000 surplus: \$5,000,000 was placed in a reserve fund for the benefit and credit of those who had joined since July 1, 1919; between \$7,000,000 and \$8,000,000 was set aside to pay the deficiency of the older group during the time they are determining what plan or option they choose to accept; \$3,000,000 was set aside to hold down the whole life level rates of members exchanging at ages 67, 68 and 69; the balance, approximately \$20,000,000, was set aside to the credit of members 70 years of age and over."

Contracts Offered

The Modern Woodmen now offers the following forms of certificates in exchange for the old certificates prior to July 1, 1919:

1. Special whole life, Form B. Payments on this certificate continue throughout life at a level rate.
2. Thirty-year payment life, Form C. Member discontinues payment after assessments for thirty full years have been paid, and during this period and for the balance of life, the member would be protected for the full face amount of his certificate. This certificate should be especially attractive to members under 45 years of age.
3. Twenty-year payment life, Form D. Similar to the 30-year payment life form except that the member pays for only 20 years and his certificate then becomes paid-up for life. Either of these limited payment forms enables the member to pay for his insurance during the productive period of his life and he will be relieved of payments in his later years.
4. Ordinary whole life, form A. This is the form of certificate issued since July 1, 1919. The benefits are more limited than the benefits provided in the special whole life. This is perhaps the best certificate for members to carry who are over 60 years of age.

The new rates are about the same as the rates charged by the United States government on war risk insurance.

Takes Over Catholic Fraternal

In taking over the Roman Catholic Mutual Protective Society, the Royal Union Life of Des Moines now has more than \$145,000,000 insurance in force. The merger was approved by the Iowa commissioner. The combined company has assets of \$30,000,000 and a surplus in excess of policy liabilities of \$1,500,000.

The merger was voted by more than 100 delegates of the Catholic society meeting in Des Moines. The Catholic society had approximately \$4,500,000 of insurance in force at the time of the merger, having been in existence for 50 years.

We Write All Standard Forms of Participating and Non-Participating Insurance Contracts and in Addition the Following SPECIALS

1. Ordinary Life Special \$5,000.
2. Personal Life Monthly Income for Rejected Risks.
3. The Best and Most Liberal Sub-Standard Facilities.
4. Children's Educational Policies age 1 day to 19 years.
5. Up-to-date Health and Accident Policies.

We welcome to our Ranks only serious-minded men of character and integrity—men who are intent upon success—and to whom we offer exceptionally liberal and profitable contracts.

Very desirable territory open in

OHIO — INDIANA — KENTUCKY — TENNESSEE

Address S. M. CROSS, President

COLUMBIA LIFE
INSURANCE COMPANY
Cincinnati, Ohio

A TOWER OF STRENGTH

Insurance in Force
\$2,000,000,000

Assets \$488,958,000
Surplus 66,938,000
Total Liabilities 422,020,000

Interest on policy proceeds, profits, etc.,
left with the Company

FIVE AND ONE-HALF PER CENT

Total investments in United States securities
exceed \$231,000,000

Dividends to Policyholders increased
for ninth successive year

SUN LIFE
ASSURANCE COMPANY
of CANADA

Life Insurance a Friendly Business

Few Home Offices have secrets which they guard. There is a constant interchange of visitors among them. And ideas, formulas, and systems are freely exhibited. A dominating thought is that whatever is made available by one Company to another benefits the entire business and thereby benefits the public.

Through the periodic conferences and counselings of separate yet allied sub-organizations, life underwriting is steadily being advanced to still higher levels. They are laboratories for exploration and for decisions which avoid the experimental. There is the strength which comes from union in the Companies' support of these associations.

To the friendly spirit of life insurance governance, and the high character of the cooperative organizations of its various departments, is creditable a large part of our mighty growth and efficient service of the public.

Wm. A. Law, President

Wm. H. Kingsley, Vice-Pres.

Hugh D. Hart, Vice-Pres.

The Penn Mutual Life
Insurance Company
Philadelphia, Pa.

Independence Square

Founded 1847

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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Needs to Become Insurance-Minded

Following the publication of the "LIFE PAYMENTS NUMBER" of THE NATIONAL UNDERWRITER, which appeared on Aug. 2, many of the daily newspapers commented editorially on the significance of the huge sums that were being returned on the life policies. The comment of the PORTLAND, ORE., "JOURNAL OF COMMERCE" was as follows:

"On the first page of today's issue of the 'Daily Journal of Commerce' a most interesting story is told on life insurance.

"Not only should every insurance agent read that story, but it wouldn't hurt a lot of laymen, men in other lines of business, to study the figures there given in a report which it has required months to prepare.

"You know, there are a lot of men in business today who don't believe in insurance, and that self-same lot will have their regrets some day.

"The public needs to become insurance-minded.

"The growth of life insurance has been almost unperceived by the public. There are few industries whose volume of business equals the payments made by life insurance companies to policyholders and beneficiaries.

"A striking feature of the compilations shown in this issue is the fact that the disbursements are in modest amounts. Notwithstanding the huge total, there were very few large policies. The money goes back to families and children who need it, and not to add to swollen fortunes.

"Taking all the death claims above \$100,000 listed herein, the total is only \$59,621,000. This is only a drop in the bucket, compared with the gross volume paid to policyholders and beneficiaries. If these large claims had not been paid, the total would not have been affected perceptibly.

"There are, however, many substantial payments large enough to keep a

family from want. The day of the \$1,000 policy is practically gone and that of the \$5,000 policy is passing. The vast development of life insurance is due to the new economic conditions that make life insurance the best answer to the modern problem.

"When there was only one standard of living for the mass of the people, when provision for the future went no farther than potatoes and salt pork in the cellar, when women worked in the fields and widows supported their families by raising their scanty food on a plot of ground and toiled by candle light to make their clothes, when education was rare and children went to work at 10 or 12 years of age, the need for life insurance was not so apparent.

"Those who have higher standards of living for their families need life insurance.

"Then there is the double indemnity feature.

"Many people regard double indemnity benefits as a sort of selling wrinkle; the premiums charged for it in connection with life insurance policies are relatively small and it is sometimes felt that the benefits are of about the same caliber.

"However, during the year of 1928, \$12,168,768 was paid out by the life insurance companies on account of accidental death losses, this figure being the loss from double indemnity claims alone and does not include the sums paid under the regular contracts.

"A study of any company's report of the causes of death reveals the tremendous growth of fatalities from accidents as compared with preceding years, the chief contributing cause to this increase being automobile accidents.

"THE NATIONAL UNDERWRITER deserves much credit for its extensive and intensive survey of insurance conditions, the niche it is filling in world-wide business and its education of an insurance-unsold public."

Insurance Money in Speculation

THE stock market activity and the stories of profits made in speculation have undoubtedly affected life insurance in many ways. One of the most unfortunate influences is the sacrifice that a number of policyholders are making of their insurance in order to get into the market. A well known bond man re-

marked the other day that literally thousands of people are taking \$200 and \$300 cash surrender or loans on policies to invest in speculative securities.

Life insurance after all is a sinking fund to provide for major contingencies. That is the story that life insurance agents should hammer into the minds

of the public. If a man has sufficient funds to get into the speculative market well and good. He should not touch his life insurance. It is a tragic thing to see persons of limited means expose a fund like life insurance to the gales

of the stock market. A life insurance fund is different from any other kind. It is something laid aside for future contingencies that should not be disturbed until the emergency arises for which it was provided.

PERSONAL SIDE OF BUSINESS

Joseph P. Licklider, director of publicity and sales research for the Missouri State Life at its home office, was injured seriously Monday when run down by a street car. At the Barnes Hospital where he was rushed immediately after the accident it was reported he had sustained a fracture of the skull, lacerations of the scalp and numerous cuts and bruises about the body.

Mr. Licklider was returning from a model airplane contest conducted in Forest Park. His son, Robert, 14 years old, was one of the contestants and had won first prize in the tractor glide contest.

Mrs. Licklider and her sister witnessed the mishap. They were seated in the Licklider automobile. Mr. Licklider was on his way to the automobile when struck by the street car. He is president of the Advertising Club of St. Louis.

Richard J. Shipley, agent for the Northwestern Mutual Life in St. Louis, proved himself a hero the afternoon of Labor Day when he saved a young woman, about 18 years of age, from drowning in an abandoned quarry on the farm of Former Governor Frederick D. Gardner in St. Charles County.

Stricker Coles, the star performer of the New Orleans agency of the Mutual Life of New York and the largest producer for that company in the south, is spending his vacation in Chicago. In order not to get out of practice he is taking care of the insurance needs of some of his old friends and acquaintances in Chicago, placing his business through the R. E. Spaulding agency. Mr. Coles expects to sit in at the millionaire producers round table at the National Association of Life Underwriters convention in Washington, Sept. 25-27.

When Charles Peet of the St. Paul agency of the Mutual Life of New York wants to do some real fishing, he does not let a matter of mileage bother him.

Although Minnesota is somewhat noted for the number of its good fishing lakes and streams, Mr. Peet scorned them this summer and went over to the fjords of Norway, where they fish for big fish and lots of them.

Mr. Peet was the guest of George T. Slade, prominent railroad man and son-in-law of the late James J. Hill. Mr. Slade has a fishing camp on one of Norway's rivers.

William A. Mair of Louisville, Kentucky, agency supervisor for the New England Mutual Life, was severely cut and bruised this week when the automobile in which he was riding was crowded from the highway near New Castle, Ky., and the car turned over.

Signal distinction has been attained by L. C. Mersfelder, president-elect of the Oklahoma Association of Life Underwriters, in his five years' record as member of the Kiwanis Club. Mr. Mersfelder has not missed a club meeting within the five years of his membership in the Oklahoma City club, although he recalls many close calls. For two years he has been head of the junior police movement and frequently drove 150 or 200 miles to Oklahoma City just in time to make the Kiwanis luncheon.

When traveling his record remains unbroken. He carries a list of Kiwanis clubs in the state with time and place of their meetings, and if he can't get

home he attends the nearest club. Mr. Mersfelder had a 100 percent record at Albuquerque, N. M., for two years previous to his removal to Oklahoma City.

Secretary Walter F. Meiburg completed 25 years' service with the Guaranty Life of Iowa last week and officers, directors and employees joined in honoring him on the anniversary. L. J. Dougherty, vice-president and general manager, presented Mr. Meiburg with a set of golf clubs and fine fishing outfit on behalf of the officers and board. August F. Steffen, president, and others of the official staff, paid tribute to his efficiency at the program.

Sixty representatives of the Sun Life of Canada in Portland, Ore., attended a banquet honoring H. O. Leach and H. M. Moore. Mr. Leach, who was formerly superintendent of agencies for the United States, has recently been appointed general manager for Great Britain. Mr. Moore was recently appointed superintendent of agencies west of the Mississippi river.

After an overseas trip that embraced two continents and particularly Egypt and the Holy Land, George F. Bennett, field assistant for the Equitable Life of New York in Hartford, and Mrs. Bennett have returned to Hartford.

Landing at Madrid July 2, they went through Spain, then through Italy to Turkey and Asia Minor. At Beirut they began a motor trip through Syria, Damascus, Jerusalem and Alexandria, thence sailing for Pisa and motoring from there through Switzerland and Germany to Paris. War had not begun during the four days they were in Jerusalem but the spirit of hostility was marked. In Palestine they found the natives living in little villages for protection instead of on isolated farms. The Armenians have lost nothing of their picturesque appearance. While in Palestine Mr. and Mrs. Bennett picked by the Sea of Galilee on fish caught there.

In tribute to Col. D. Gordon Hunter, retiring commander, the entire second battalion of the 169th infantry, Connecticut National Guard, will form a guard of honor preceding the regimental review in the state armory at Hartford, Friday night, Sept. 6.

Col. Hunter, widely known in the insurance world, is manager of the Phoenix Mutual home office agency and training school.

Miss A. V. Bowyer, San Francisco, correspondent for THE NATIONAL UNDERWRITER and executive secretary of the San Francisco Life Underwriters Association, has been appointed chairman of the insurance committee of the safety conference of the California Development Association, now known as the state chamber of commerce. Miss Bowyer has been active in insurance circles in San Francisco for many years and her selection by the development association to head this important committee is welcomed by insurance executives.

The Bankers National Life of Jersey City is carrying on a contest for its big agency club this year. Joseph Stout of Chicago leads with \$514,500 and James A. Silber, general agent at Philadelphia, comes next with \$300,061. The Quarter Million Club will make a trip to Havana shortly after the first of the year.

LIFE AGENCY CHANGES

GOLD, JR., MADE SUPERVISOR

Son of Jefferson Standard Official Given New Post in Company's Home Office Agency

The appointment of C. W. Gold, Jr., as supervisor of the home office agency of the Jefferson Standard Life of Greensboro, N. C., has been announced. He is the son of C. W. Gold, vice-president and treasurer and one of the founders of the Jefferson Standard. He is a graduate of the University of North Carolina and the Harvard Graduate School of Business Administration. He has been connected with the agency as a soliciting agent prior to becoming supervisor, and worked in the home office of the company during his vacations while in college.

The home office agency serves 16 North Carolina counties, and in 1928 paid for \$7,700,000 of new business. A. R. Perkins, agency manager of the company, is also manager of the agency, while W. H. Andrews, Jr., is assistant manager.

Prudent Agency

Joseph J. Garibaldi and Joseph A. Caulfield have been appointed general agents for the John Hancock Mutual Life in Hoboken, N. J., to open a new ordinary office under the name of the Prudent Agency. Mr. Garibaldi has one of the largest real estate and general insurance offices in Hudson County and has a large business clientele. He is a director in the Steneck Trust Company as well. Mr. Caulfield has a broad life insurance experience, having been in the business over 25 years, formerly agency superintendent for one of the largest companies. The two have opened a new office, starting from scratch, and now have 15 men in the agency, with promise of a large business at the outset.

McNUTT RETIRES FROM POST

Earle W. Bailey Appointed General Agent of the New England Mutual Life at Cleveland

Harry F. McNutt, who has been with the New England Mutual 40 years and for the last 37 general agent at Cleveland, has resigned owing to illness. He built up a large business and his general agency took high rank in his section. Earle W. Bailey, assistant superintendent of agencies of the company, has been appointed to succeed Mr. McNutt. He is 37 years of age.

J. Walter Slattery

The Pan-American Life announces the appointment of J. Walter Slattery as manager of its Houston branch office. He is a life insurance man of many years of experience. Frank J. Story was the former manager at Houston, but resigned to return to personal production. Mr. Story will remain with the Pan-American as a member of the Houston agency.

Montgomery & White

The Western & Southern Life has appointed Montgomery & White, general agents at Chicago, to represent the ordinary department.

J. H. Wynne

The Pilot Life of Greensboro, N. C., has appointed a new general agent at Fort Worth, Tex., J. H. Wynne.

Life Agency Notes

Alson P. Taylor of Albany, N. Y., has taken charge of group insurance for the Metropolitan Life in that district.

Brolen & Brake, Sioux City, Ia., general agents for the Provident Mutual Life, have announced the appointment of Joseph M. Lockin, Aurelia, Ia., as special agent. He has been assigned Cherokee and Buena Vista counties.

EASTERN STATES ACTIVITIES

GENERAL AGENTS DIVIDED

Undecided Over Whether Massachusetts Agency Qualification Law Should Have Examination Requirements

BOSTON, Sept. 5.—Life insurance general agents here are somewhat divided in their opinions as to whether the present agent's qualification law in Massachusetts should have incorporated in it the examination requirement which at the present time is enforced only by rule of the insurance commissioner. As a matter of fact, a special committee, selected from the general agents and managers round table here, is considering the situation and they have arrived at some tentative plans. It will mean putting the teeth into the law by including therein the examination requirements. In other words, an examination of applicants for insurance licenses will be made compulsory and not left to the option of the insurance commissioner.

Extend Cooperation

W. E. Monk, who was commissioner when the ruling was made in 1927, took the stand that sufficient legal right was his to enforce such a requirement under the present wording of the law as follows: "The commissioner shall, if he is satisfied that the appointee is a suitable and competent person of full age and intends to hold himself out and carry on business in good faith as an insurance agent * * * issue him a license." During the past year the committee on education of the Boston Life Under-

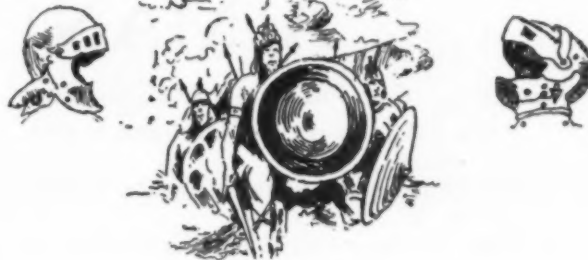
writers Association has made some attempts to cooperate with the department of insurance to secure practical questions and a regular revision so that the examinations, so far as the life companies were concerned, would better bring out the applicant's knowledge of the business. General agencies in the fire business have also lent their efforts in a similar manner and the benefits of this assistance have been noted in the reduction of the number who failed to pass.

The removal of the two year experience requirement has had a tendency to slightly increase the number taking the examinations. It is considered to be unwise and a backward step to legislate against examinations. Agents feel that it is proper to make this a requirement of the law, if it includes certain exemptions, and provides the commissioner with sufficient means to carry on the work without interfering with the duties of his regular force and should result in the best agent's qualification law in the country.

Holds New York Sales School

The Victory Life of Chicago has just concluded the second of its salesmanship schools in New York. The first was held in Chicago. Each school lasted for two weeks and was attended by agency managers and general agents and also agents who are equipped to later become agency managers. Attending these conventions from the home office were Anthony Overton, president; J. E. Stamps, manager of agencies; V. D. Johnston, secretary; C. A. Shaw, assistant to the president; Richard Hill, at-

P R O T E C T I O N



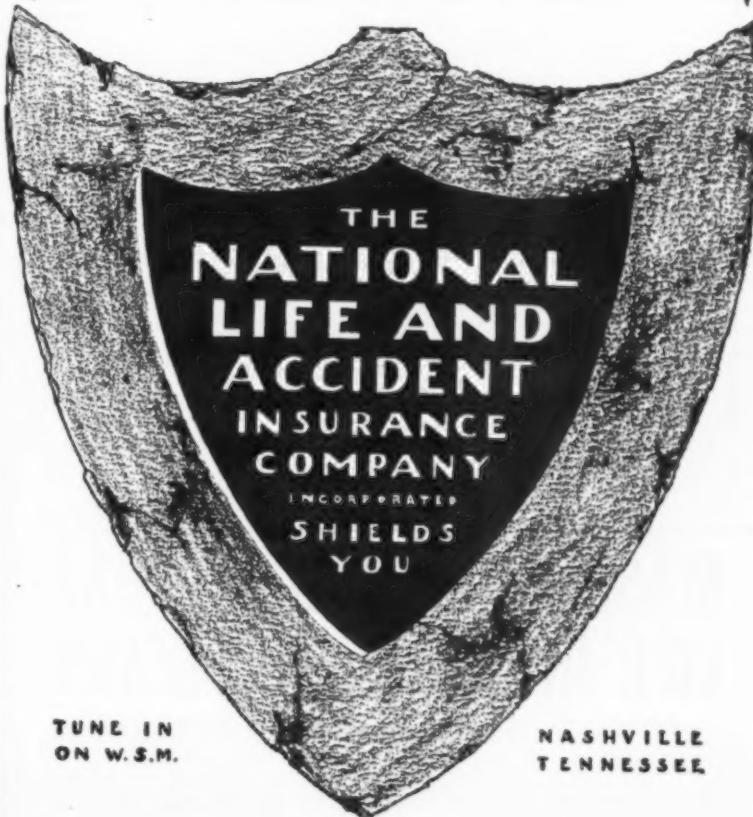
Territory—

(Advertisement 5 of a series)

Shield Men march forth to battle with the Shield button in their lapel symbolizing the protection and security given by National Life and Accident policies—backed by an ably managed organization—and competent to write policies filling every life, accident and health need.

An army of purposeful men of enthusiasm completely equipped to care for all life insurance needs! Their battle ground extends from the Atlantic to the Pacific Ocean and from the Gulf of Mexico to the Great Lakes—the National Life and Accident is licensed to do business within this expansive territory. This great army of men find it profitable to wear the Shield button.

It pays to be a Shield Man!



TUNE IN
ON W.S.M.

NASHVILLE
TENNESSEE

WANTED— A MAN!

Possessing the following qualifications:

AGE 35 or over, seasoned and a producer.

THREE years of life insurance experience.

Must be personally acquainted with at least 25 life agents.

TO HIM— WE OFFER

—The Highest commission for low cost participating insurance.

—The services of an experienced field man, to help him in the field, appointing sub-agents, giving sales helps and to

"PUT HIM OVER"

Over \$100,000,000 in Force

We are particularly interested in Pennsylvania men. Write fully. We will not check references until after interview.

Address M-50, care The National Underwriter

In Summer

or in winter the representatives and policyholders of the Massachusetts Mutual enjoy not only the great resources and splendid facilities of this Company, but also that mutual counsel and co-operation which make every relationship a definite advantage to all those who rely on our service.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

SPRINGFIELD, MASSACHUSETTS

Organized 1851

More than a Billion and Three-Quarters of Insurance in Force

torney; and Julian Lewis, medical director. The schools consisted of classroom work in the morning and actual soliciting work in the afternoon. Mr. Stamps reports a very satisfactory volume of business was procured during the afternoons of the two-week period. Such subjects as managing, salesmanship, economics of life insurance, life insurance and business, social problems, analyzing life situations, human behavior and the relationship between agency managers and home offices were thoroughly discussed by the students and instructors.

McBratney Up for Presidency

H. H. McBratney is unopposed for

the presidency of the Baltimore Life Underwriters Association, which will elect officers at its annual meeting on Sept. 12, having been selected by the nominating committee to succeed Friend L. Wells. Other nominations include R. Leo Talley, vice-president; G. S. Robertson, secretary-treasurer; and R. Earle Greenlee, Perrin H. Lowrey, George A. Myer, Arch W. Peake, Fred A. Savage, Jr., and Friend L. Wells, members of the executive committee.

Launches Estate Planning Board

The Estate Planning Board of Rhode Island has been started in Providence by Robert Hunt, general agent for the New England Mutual Life.

CENTRAL WESTERN STATES

MUST BE IN FORCE ONE YEAR

Incontestable Clause Not Effective When Policyholder Died—Alleged Application Contained False Statements

On Nov. 7, 1927, the insured made application in writing for a policy of \$1,000 in appellant company. Appellant contends that certain of the material statements contained in the application were untrue and were fraudulently made and that appellant company did not know that any of said statements or representations were false and untrue until after the death of said insured, which occurred on May 16, 1928. The bill further charges that no administrator had been appointed for the estate of said insured; that appellant had been ready, able and willing to return the premium; that no action had been brought by the beneficiary to recover on said policy; that appellant is barred after one year from the date of said policy from contesting the same, except for non-payment of premiums.

The question here is as to whether, the insured having died within one year from the issuance of said policy, the incontestable clause means that in order to make said limitation effective, the insured must have lived one year after the date of said policy, as contended by appellee, or whether said provision limits the contesting of said policy to one year from its date, as contended by appellant. Held that the provision in the policy here involved clearly discloses that, before the incontestable clause shall take effect, limiting the right of appellant to contest its liability under said policy, the policy must have been in force for one year during the life of the insured. Inasmuch as said policy was not so in force appellant may make its defense in a court of law, should suit be brought, at any time hereafter, to recover on said policy. Dismissal of bill for cancellation of policy affirmed.—Chicago National Life vs. Carbaugh, Appellate Ct., 2nd Dist. Ill.

Holds Agency Meeting at Green Bay

Joseph W. Jones, vice-president of the Franklin Life, Springfield, Ill., has been visiting the Moore & Moore agency, Green Bay, Wis. Mr. Jones conducted the first fall meeting of agents there Sept. 3. About 40 agents were in attendance.

To Move to 49-Story Building

The Mutual Life of New York agency in Chicago, in charge of Manager R. E. Spaulding, has completed plans to move into the new 1 La Salle building, corner of La Salle and Madison streets, when this big skyscraper is completed. Mr. Spaulding's organization will occupy approximately half of the 17th floor. A number of other agencies of big eastern companies have completed arrangements for moving into the new building next spring.

Mr. Spaulding's agency closed its account for August with a paid-for pro-

duction of \$1,343,000, or something more than 235 percent of its quota. Mr. Spaulding reports business as much better than during the corresponding period a year ago.

Brand Agency Shows Gains

E. J. Brand & Co., general agents for the Lincoln National Life in Chicago, have been showing a very fine increase in business. In July the Brand agency stood sixth in the entire country and the August paid-for has gone considerably over the July volume. The agency is less than two years old. One agent in July stood fifth in the country and another had the largest case written in the company by any agent. The July production was the largest of any month since the agency was organized.

Grand Rapids Man Loses All License

LANSING, MICH., Sept. 5.—C. S. Marshman, Grand Rapids agent, whose fire and casualty license was suspended several months ago when it was found that he had sold coverage in unauthorized "wild cat" carriers, was eased completely out of the insurance business during the past week when it was announced by department authorities that his life and health and accident licenses had been revoked also.

Marshman was allowed to retain the two licenses when the earlier action was taken as regards his fire and casualty certificates of authority. He was considered, however, to be more or less on probation and the department has not been satisfied with his conduct since. When it was decided that his remaining licenses should be revoked, he was given formal notification in order that he might use his statutory right to demand a hearing on the department's charges. No word was received, however, so the department cancelled his licenses as of Sept. 3. He had lately been representing the Pacific Mutual Life and the Hoosier Casualty.

MISSOURI VALLEY

PROTEST KANSAS TAX CHANGE

Domestic Companies Object to Being Put On Same Basis as Those From Outside State

TOPEKA, KAN., Sept. 5.—The insurance companies domiciled in Kansas are preparing to make a strenuous fight against the proposal of the tax code commission to place the domestic companies on the same premium tax basis as those incorporated outside the state. A 2 percent premium tax on the Kansas companies would raise approximately \$250,000 in additional taxes. At present the tax code commission does not see any reason why the domestic companies should not pay the same tax as the foreign companies.

The domestic companies were given a hearing before the commission, in which they set out the many reasons why the local companies should not be

taxed. The companies time cost older ed ing the simply Kansas the tax sas com of givin advanta ment of The showing sas busi lows: F \$322,750 276,772; hail, \$2 total, \$1 The t ized by tax que ing the nnes an the tax it in up

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LINCOLN has not quest branched state in The las brought tion of Weeping given to Tegard a numb

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Nineteen Campbell have just annual years t country has been agencies politan in Arkan of paid 500,000 agency of iness on

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IN THE MISSOURI VALLEY

taxed. They urged that the local companies are all small and have a hard time competing with the bigger and older eastern companies and that placing the 2 percent tax on them would simply make competition harder for Kansas companies. They urged that the tax was never imposed on the Kansas companies, purely for the purpose of giving the local companies a slight advantage and to promote the establishment of companies in this state.

The companies presented a table showing the premium incomes on Kansas business on the basis of 1928 as follows: Fire insurance, \$366,090; casualty, \$22,759; life, \$6,395,534; fraternal, \$3,276,772; mutual associations, \$143,875; hail, \$247,543; mutual fire, \$1,024,208; total, \$11,776,781.

The tax code commission was authorized by the 1929 legislature to study the tax question and submit plans for revising the tax laws, raising additional revenues and particularly to remove part of the tax burden from the land and place it in upon other forms of property.

NEBRASKA DEPARTMENT HEAD NOT SELECTED BY GOVERNOR

LINCOLN, NEB.—Governor Weaver has not yet acted upon the urgent request of insurance leaders in all branches that a permanent head for the state insurance department be selected. The last ten days influences have been brought to bear to secure the consideration of the name of J. M. Tegarden of Weeping Water, but no indication was given that he would be named. Mr. Tegarden has been active in politics for a number of years, and while he has

been a director of the Nebraska Farmers' Mutual for a number of years, he has had no direct contact with the business and no active experience in other lines than that of local agent of fire and casualty companies in connection with his business as a real estate man.

Topeka Association Meets

The Life Underwriters Association of Topeka began its season with the regular meeting last Saturday when plans were made for the program for the year and the delegates and alternates from the association chosen for the National association convention at Washington. The Topeka association does not hold regular meetings during the summer months and this year it is getting started on the regular Saturday luncheon meetings earlier than usual.

Reliance Life's St. Louis School

The Reliance Life of Pittsburgh is holding a sales school in St. Louis, opened Sept. 3 and continuing for 16 weeks. Classes are held Tuesday and Friday evenings. The staff of instructors includes M. D. Flavin, supervisor; Roy E. Garrett, Charles A. Pitzer, Leo Brenner, Rolle E. Florida, F. H. Schuermann, D. R. Becker, V. A. Kramer, Harry Carlyon, R. W. Turner and Leslie L. Ellis. L. L. Rozenburg is educational director.

Outlines Association's Plans

Claude Fisher, president of the Des Moines Association of Life Underwriters, held an executive board meeting last week and outlined plans for the coming fall and winter.

IN THE SOUTH AND SOUTHWEST

CAMPBELL'S MEN AT MEETING

Convention of Aetna Life Agents Honored Their Chief at the Biloxi, Miss., Gathering

Nineteen members of the Gordon H. Campbell general agency at Little Rock have just returned from the Aetna Life annual convention at Biloxi, Miss. For years the Campbell agency, known countrywide as "The Campbell Clan," has been one of the largest life general agencies in territory outside the metropolitan centers, and has consistently led in Arkansas with an annual production of paid ordinary business of from \$10,500,000 to \$18,500,000. The Campbell agency now has over \$60,000,000 of business on its books.

Qualify 13 Agents

At the convention this year the "Campbell Clan" qualified 13 field agents, or three more than were qualified by any other of the 86 general agencies. This honor has drawn striking comment from the home office. The field men who exceeded the requirements and were taken to the convention as the guests of Mr. Campbell were Joe S. Maryman, J. C. Patterson, T. C. Ligon, L. H. Derby, L. Jack Menton, S. J. T. Wynne, E. P. Walsh, L. E. Warren, M. E. Milestone, W. S. Brown, D. H. Powell, J. R. Nixon and R. H. Haag. In addition to these star producers those making the trip included Gordon H. Campbell, general agent, Rex Bixby, agency supervisor, H. D. Edwards and L. E. Throgmorton, field supervisors. Associate General Agents Fred E. LeLaurin and W. W. Teckell from Louisiana joined the party at Biloxi.

A high light of the convention was the surprise birthday party given Mr. Campbell. The fact that the day of the

Big Chief of Clan



GORDON H. CAMPBELL

banquet was Mr. Campbell's birthday fitted happily into the convention arrangements and officials and the entire group united in paying tribute to Mr. Campbell, who is general chairman of the company's southern division. His agency force had quietly proceeded to produce a record volume the first two weeks of August in his honor and these totals were read at the banquet. Joe S. Maryman, who for 10 years has averaged over \$1,000,000 a year, discussed his unusual sales methods, and H. D.

Size doesn't matter—

as long as the record of achievements of the company are something of which to be proud.

You will find this true in the Guaranty Life. Its friendly spirit of co-operation makes it a company well worth the consideration of any conscientious life underwriter.

L. J. Dougherty, Vice-Pres. & Gen. Mgr.

GUARANTY LIFE INSURANCE COMPANY

DAVENPORT, IOWA



"THE FRIENDLY COMPANY"

Perfect Cooperation

Boom!! The great boat race of the season was on. One fragile shell took the lead. A wiry little coxswain was in control. The stroke caught the time and passed it on to the oarsmen, faster and faster. Down the course they flew, perfect unity in every movement, to a beautiful finish.

Perfect cooperation of the different departments of this company with her field men guarantee the foundation of success. If you are interested in Life Underwriting you will find it pays to be friendly with the

PEOPLES LIFE INSURANCE CO.

"The Friendly Company"

FRANKFORT

INDIANA

Opportunities in Indiana, Illinois, Ohio, Michigan, Tennessee, Arkansas, Iowa, California and Texas

UNLIMITED OPPORTUNITIES



HOME OFFICE

You will like our liberal first-year and renewal commission contract direct with the home office. It gives you the right to sell men, women, and children real protection on a low-cost participating or non-participating basis.

Just glance over this list:

Participating
Non-Participating
Sub-Standard
Preferred Risk
Pay-Roll Deduction
Monthly Premium

Policies for Women
Child's Educational
Juvenile Policies
6% Guaranteed
Income
Life Income
Age Limits:
1 Day to 65 Years

Modified Life
Low Cost Term
Double Indemnity
Disability Income
Premium Waiver
5% on Policy
Records

Ask for further information

JEFFERSON STANDARD LIFE INSURANCE COMPANY

JULIAN PRICE
President

GREENSBORO
North Carolina

MORE THAN 350 MILLIONS IN FORCE

Opportunity Is Knocking at the Door of Six Men

Each man between the ages of 30 and 45.

Each of whom has had three years or more of SUCCESSFUL life insurance experience; has ability and character, and is willing to devote his entire effort to the organization and development of a general agency of his own, under

A GENERAL AGENCY CONTRACT WHICH MEANS

- Larger first year commissions,
- Longer renewals,
- Larger overwriting commissions
- All standard forms of policies
(Participating and Non-Participating)
- Liberal disability benefits
- Double indemnity benefit
- Guaranteed annual reduction in the premium
- Also cash dividends
- Low net cost
- Real Home Office Service

To these six men the following general agencies are now available:

Grand Rapids	—	Western Michigan
Lansing	—	Central Michigan
Detroit & Flint	—	Eastern Michigan
Cleveland	—	Northern Ohio
Columbus	—	Central Ohio
Cincinnati	—	Southern Ohio

If you are the man listening for this knock at your door, write, giving us a picture of yourself and your experience.

We will not check references until after interview.

All communications in confidence.

Address N-2, The National Underwriter.

Edwards outlined the unique sales aids provided for the members of the "Campbell Clan."

Hold District Meeting

The Kentucky State Life of Louisville held a two-days' school of instruction and training for its agents in the Shelbyville, Ky., district last week. Rev. W. W. Horner, who recently was made general agent with headquarters in Shelbyville, and Bailey W. Newton, who recently severed his connections with an industrial company of Louisville and joined the Kentucky State Life, were in charge of the school.

Killed by Husband; Held Accident

A court at Texarkana, Tex., has ruled that the death of a man, killed by a husband while he is paying attention to the latter's wife, is accidental. The court awarded insurance of \$23,450 to the widow of a Lanesville, Tex., doctor, who was killed in 1927 after making improper advances to his slayer's wife.

The insurance company contended that double indemnity should not be paid under the policy, the testimony having shown that the doctor had been warned by the husband. It was the opinion of the insurance company that it was impossible to call the death an accidental one.

First Meeting Date Set

L. C. Mersfelder, president-elect of the Oklahoma Association of Life Underwriters, has announced that the first meeting of the season will be held Sept. 14.

Plans for the year's work will be outlined at a meeting of the executive board Sept. 9. Programs for the season are in charge of George E. Lackey. The executive committee for the year comprises Mr. Mersfelder, Kansas City Life; Robert H. Carter, Connecticut Mutual, vice-president; Josephine Lincoln, Equitable,

secretary; Arthur Wood, New York Life, treasurer; C. C. Day, Pacific Mutual, national committeeman; Homer Jamison, Equitable, retiring president and chairman of attendance; and the following committee chairmen: George E. Lackey, Massachusetts Mutual, program; E. Guy Owens, Mutual Life, education; J. O. Mattison, State Life of Indiana, finance; J. B. Rogers, Lincoln National, reception; Marmaduke Corby, Central States Life, speakers; and Leon Willits, Northwestern Mutual, publicity.

Come Under New Law

The Texas board of insurance commissioners has granted permission to the Dorsey-Way Mutual Life Association of Nacogdoches, Tex., to do business in Texas under the new mutual insurance law. This is the 13th company to re-qualify under restrictions of the new statute.

Oklahoma License Revoked

The license of C. A. Tiger of Ardmore has been revoked by default by the Oklahoma insurance board. Mr. Tiger was charged with failure to refund premiums on declined business while writing insurance for the Southern Union Life of Texas. He is now associated with the Reserve Loan Life.

Allin to Qualify This Week

Announcement is made that Bush W. Allin of Harrodsburg, Ky., will qualify as insurance commissioner of Kentucky this week. He was appointed following the resignation of Shelton M. Sausley, but as Mr. Allin was engaged in the insurance business he could not qualify until he disposed of that business. It is said that he has disposed of that business and is now ready to become commissioner. In the interim Arch P. Lilliam, deputy commissioner under Mr. Sausley, has been acting commissioner.

PACIFIC COAST AND MOUNTAIN

WYOMING OFFICIAL PRAISED

Commissioner Thulemeyer Elicits Commendation on His Record From the Press of His State

The Wyoming "State Tribune" the other day ran an editorial on Theodore Thulemeyer, the insurance commissioner. Mr. Thulemeyer is making good in his position. He was district manager of the Mutual Life of New York for Cheyenne for a number of years. He is thoroughly familiar with legislative work. The editorial stated that when he accepted appointment he had well defined and positive ideas regarding why the office existed and how it should be administered. The editorial said that if every public officer had the same conception of the responsibility of public office that inspires Mr. Thulemeyer and exercised it with equal intelligence and courage the whole structure of government would be imbued with new significance in the public mind.

Challiss on Long Trip

Arthur H. Challiss, general agent for the Massachusetts Mutual Life for Washington, left Seattle for an extended trip through the midwestern and eastern states. He expects to visit a number of the company's agencies en route, for the purpose of accumulating new ideas and information, including those at Minneapolis, St. Louis, Salt Lake, Detroit, Denver, Kansas City, Cincinnati, Washington, D. C. and Boston. He will attend the annual convention of Massachusetts Mutual representatives at Swampscott, Mass., Sept. 16-18. Mr. Challiss expects to return to Seattle about Oct. 1.

COMPANY NOW MUTUALIZED

Oregon Life Has Retired Its Capital of \$100,000—Operates in Four States

Final details in connection with the mutualization of the Oregon Life were consummated last week. The capital amounting to \$100,000 has been retired at its par value. The company started as a mutual Sept. 1. It is the only mutual company west of the Rocky mountains. C. S. Samuel is the general manager. It operates in Oregon, Washington, Idaho and California. The company will now be known as the Oregon Mutual Life. James B. Kerr, well known Portland attorney, and Edward H. Geary, vice-president of the First National Bank of Portland, have been elected on the board.

Peterson Has Successful Month

The San Francisco office of the Phoenix Mutual Life had a very successful month in July. All but three men

THERE IS ALWAYS AN ULTIMATE CHOICE



On the historic North Shore
Every recreational feature
Booklet ★★

E. B. GRABOW, Chairman of the Board
CLEMENT E. KENNEDY - President

YORK
c Mu-
Homer
sident
d the
George
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of In-
Nar-
Leon
licity.

ers of the agency made their quota last month. The agency led the United States in the percentage of quota attained, having made 145 per cent. According to Clarence W. Peterson, manager, if the agency keeps up its present pace it will write more than twice as much in premiums this year as in 1928. In the Phoenix Mutual managers' efficiency contest, which runs from Jan. 1 to Dec. 31, the San Francisco agency stands in eighth place.

Court Rules Out Unlicensed Agent

In view of the fact that the Arizona statutes require all insurance agents in that state to be licensed for each company they represent, Judge Jacobs in the federal court at Prescott, Ariz., holds that an agent cannot maintain suit for premiums against a company for which he was not licensed. T. E. McCullough brought suit against the Aetna Life, alleging that in 1927 he acted as its agent in the sale of a group life and accident policy covering all employees of the United Verde Copper Company and that he was entitled to a commission of \$7,500. He admitted in court that he held no license for that company at the time the sale was made and the court ruled that he had no claim on any benefits that might be derived from the transaction.

Western States Agents Meet

The El Dorado Club of the Western States Life of San Francisco held its annual convention at Lake Tahoe last week with three days of business conferences and a wide program of entertainment. President Marshall Harris at-

tended and made the principal address on the company's plans and program. Arrangements for the convention were made by C. W. Hollebaugh, field secretary.

Reliance Life Officials in West

Ten home office executives of the Reliance Life of Pittsburgh attended the convention in Yellowstone National Park of the company's leading producers in the western half of the United States.

The delegation consisted of Vice-Presidents O. M. Eakins and E. G. McCormack, Superintendent of Agencies W. L. Wilhoite, Assistant Treasurer W. J. Snodgrass, Assistant Secretaries T. J. McKenna and James H. Layton, B. F. Sichelsteil, accident and health underwriter; R. C. Braun, advertising manager; R. C. Kneil, manager of the renewal collections department; Robert E. Wood, publicity director, and E. J. Schellentrager and Saul Alexandre, two of the company's million dollar producers.

Fire Company Offers Life Service

William L. Wallace, vice-president of the Associated Fire & Marine of San Francisco, announced to local brokers last week that arrangements had been made with the Western States Life of San Francisco, whereby the fire company will provide for brokers a complete life insurance service with the assistance of trained life underwriters.

Commissioner's Authority Upheld

The insurance commissioner of California not only has the right but it is his duty to examine all insurance com-

A POLICY YOU CAN SELL

Our Company offers complete protection.

\$5,000

ALL IN ONE POLICY

Any natural death \$ 5,000
Any accidental death 10,000
Certain accidental deaths 15,000

Accident Benefits \$50 per WEEK for fifty-two weeks
\$25 per WEEK thereafter (non-cancellable)
Disability Income, Waiver of Premiums, etc.

Also \$5,000 "Preferred Risk" Policy—high value—low premiums; age 35, \$19.91 per \$1,000. Endowment Age 85—Juveniles age 10 years and upward—Monthly Income—Non-medical.

Insures and assures your client's future and yours.

Are you interested in an agency? Our Vice-President Eugene E. Reed, will tell you all about it. Write him direct . . . and directly.

UNITED LIFE AND ACCIDENT INSURANCE COMPANY

Concord

New Hampshire

Inquire!



T-H-E
COMBINATION
I-D-E-A-L

Liberal policies
—
Good territory
—
Agency—Building
Co-Operation from
Home Office
—
Efficient Claims
Service

SUCCESSFUL
-- NATIONAL
-- AGENCIES

Are you making PROGRESS? If not, are you willing to spend TWO CENTS to learn WHY National Casualty salesmen forge ahead continually?

We have a full line of Commercial, Industrial, Group and Deferred Payment Accident and Health policies. A connection with this company will be the TURNING POINT IN YOUR LIFE.

NATIONAL CASUALTY COMPANY

Detroit, Michigan

W. G. Curtis, President

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Omaha, Kansas City

HARRY C. MARVIN

Consulting Actuary
1115 North Meridian St.
INDIANAPOLIS, INDIANA

IOWA

ERSTON L. MARSHALL

CONSULTING ACTUARY
Hubbell Building
DES MOINES, IOWA

MISSOURI

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Values, etc., Calculated. Valuations
and Examinations Made. Policies
and all Life Insurance Forms Pre-
pared. The Law of Insurance a
Specialty.
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Life &
Annuity
Co.

J. J. Shambaugh
President

Des Moines
Iowa

THE COMPANY OF CO-OPERATION

Changing Conditions

Changing conditions require new methods and new modes of business. Yesterday's standards will not fill the bill today. The Des Moines Life and Annuity Company is constantly preparing new policies to meet new conditions and devising better ways of serving all policyholders to a better advantage.

"This is the Company of
Co-operation"

Do you need our help?

Active Markets in Insurance Stocks Bank Stocks

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panies desiring to operate in the state, according to an opinion given him by Frank L. Guerna, recently appointed attorney for the department. Recently

the right was questioned and Commissioner Mitchell desired to have an official ruling made for future contingencies.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature. Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and April respectively. PRICE, \$4.00 and \$2.00 respectively.

PREPARE NEW RATE BOOK

California State Life to Offer Annuity Contracts After Jan. 1—Plan Selected Risk Policy

The California State Life is in preparing a new rate book which will be available about Jan. 1. At that time two new policy forms, it is contemplated, will be presented.

One will be a retirement annuity contract under which annuities may begin at age 55, 60, 65 or 70, the amount of annuities to be quoted for both male and female lives. Premiums will be payable during the entire period of deferment, and rates to be quoted for all ages from 10 to such an age that the minimum premium term will be 10 years. These contracts will contain cash and loan values as well as paid-up annuity values, and all values will be available after three premiums have been paid. Paid-up annuity values will become operative automatically in event of premium default. All annuities will be payable monthly and contracts will be issued the purchaser for one of two types of annuities, either straight life or cash refund.

The other new policy which is being considered is a low rate term policy to age 65 or 70 for select male risks only, to be issued between the ages 21 to 55, with liberal options for conversion to higher premium forms of contracts. This policy will contain surrender values available after the end of three years, in cash paid-up life insurance or extended term insurance. As in all other of company's policies, extended term insurance will have the automatic non-forfeiture value.

Beginning Jan. 1, the California State Life expects to write business on a monthly premium basis, minimum

monthly premium which will be considered being \$5, and with provision that the first monthly premium in cash must be collected with the application.

Western States Life

The Western States Life has announced new 20-year endowment and payment life coupon saving juvenile policies, which provide for waiver of premium in case of disability or death of the parent or guardian. Ten conversion options are offered at ages 18 and 20. The death benefits are graded up to the fifth year.

Illinois Life

Two new policies, both juvenile forms were announced by President R. W. Stevens of the Illinois Life at the annual convention of the \$100,000 Club.

Each of these forms is listed as a child's endowment at 60, one being continuous premium and the other a payment policy.

It will be issued on an increasing insurance basis in multiples of \$500 up to the maximum amount, which is \$250,000. Waiver of future premiums in the event of the total and permanent disability of the parent or guardian is provided.

A table of rates under each form follows:

Continuous Premium		
Age	Rate	
Less than 1	\$1.00
1	1.25
2	1.50
3	1.75
4	2.00
5	2.25
6	2.50
7	2.75
8	3.00
9 or more	3.25
20 Payment		
Age	Rate	
Less than 1	\$1.00
1	1.25
2	1.50
3	1.75
4	2.00
5	2.25
6	2.50
7	2.75
8	3.00
9 or more	3.25

ACCIDENT AND HEALTH FIELD

MAKE ORGANIZATION PLANS

Detroit Accident & Health Club Completes Arrangements for Forming National Body Next Week

DETROIT, Sept. 5.—At a meeting Monday of the Accident & Health Managers Club of Detroit with 25 members in attendance, final arrangements were made for the organization of a national affiliation of accident and health managers clubs, which is to be accomplished in connection with the annual convention of the National Association of Insurance Agents here next week.

J. P. Collins, agency supervisor of the National Casualty and secretary of the club, was a pioneer in the promoting of the national association and will act as general chairman in charge of arrangements. A suite of rooms will be maintained at the headquarters hotel during the meeting, where all visiting accident and health men will be welcomed. Mr. Collins plans to have a charter book in the suite so that all delegates from accident and health managers clubs may sign as charter members of the national organization.

President E. H. McFarland appointed a nominating committee consisting of

George Brown, chairman; W. L. Rose, General Accident, and Bert Stahl, Federal Life.

C. M. Biscay to Speak

Charles M. Biscay, manager of the department of the Western & Southern Life of Cincinnati, has been invited to address the annual meeting of the Industrial Insurers Conference at Mobile, Ala., Nov. 12. This conference is composed of 33 industrial life, health and accident companies with a combined premium income of over \$35,000,000 a year.

Covering Air Pilots

The Air Travelers Insurance Company recently organized with home office at 1813 Main street, Dallas, Tex., is offering a special accident policy for licensed pilots with more than 50 hours to their credit, which provides \$25,000 death benefit and \$200 per month accident indemnity for a premium of \$2.50 per year or \$15 per quarter. It also has a student pilots' policy, which provides half the benefits of the major policy at the same premium rate.

The company is also issuing a limited automobile and travel accident policy which includes losses sustained while riding as a fare paying passenger in a licensed airplane, flown by a licensed transport pilot. This policy provides \$5,000 principal sum and \$100 monthly

accident indemnity for an annual premium of \$3.50.

Must Decide On Its Status

PIERRE, S. D., Sept. 5.—Commissioner Lewis has issued an order requiring the Railway Mail Association to bring its by-laws into harmony with the laws of South Dakota to continue to do business in this state.

Apparently the association desires to set under the fraternal laws of South Dakota and by-law limit claims for disability to two years after the occurrence of an accident. The holding is that if the organization desires to work under the fraternal laws of South Dakota, it is governed by the general law, with a six-year limitation of claims. Either this or it should qualify under the assessment accident insurance laws of the state. This would allow it to apply the two-year limitation of claims, but would place it under regulation by the department other than that on fraternal laws.

In other words, if it desires to apply the two-year limitation it must come under the regulations allowing such privilege. If it desires to continue to operate under the fraternal laws, it must be governed by the six-year limitation of claims under the general laws, as there is no limitation provision in the fraternal laws.

Texas Superintendents Meet

Texas representatives of the National Life & Accident of Nashville held a two days' convention at Galveston last week. Some 100 superintendents were present. The chief addresses were made by E. B. Stevenson, Jr., vice-president and manager of the ordinary department, and W. H. Julian of Dallas, vice-president and manager of the Texas division.

Pioneer Has New Policy

The Pioneer Casualty of Los Angeles is issuing a new policy called the "cumulative disability policy." It is sold to employed men and women in Classes AA down to and including E of the conference manual. It contains the "accidental bodily injury" insuring clause and is non-cancellable for period premium is paid. For \$1,000 principal sum and \$50 monthly indemnity, the premium is \$2.50 the first year and \$30 thereafter; for \$1,500 and \$75 per month, \$48.75 and \$45; for \$2,000 and \$100 per month, \$70 and \$60.

Agents Advised on Disability

(CONTINUED FROM PAGE 4)

personal history of insanity would of course prevent disability coverage. Family history of insanity, epilepsy, nervous breakdowns, etc., also has to be considered, since mental and nervous diseases may show an hereditary tendency. Rheumatism of different kinds and infections resulting therein require investigation as to their nature and history.

"Occupational hazards are important. Some prevent the allowance of the benefit entirely for certain occupations. Others permit it, but at an increased premium. Stability of employment and steadiness of income are important factors. For example, farmers are considered more hazardous risks than business men.

Earned Income Important

"When you get up into the higher amounts of insurance the earned income is important, by earned income being meant that received as salary, wages, etc., as distinct from income from investments. The larger the earned income the smaller the percentage of it which should be allowed as monthly income disability benefit. For example, if a man is earning \$200 a month a company might allow him disability benefits as high as 75 percent of that amount while if he were earning \$500 a month he might not be allowed over 50 or 60 percent. The probability of decreasing earnings in older years must also be taken into account. For example, there is a distinct moral hazard in the case of an occupation involving possible termination of or reduction in earning capacity around age 60 when most dis-

ability coverages cease. The insured may decide about age 59 that it would be very nice to retire on a lifetime pension from an insurance company and he might be able to supply sufficient proofs to necessitate the company meeting his wishes.

Points Agents Should Keep in Mind

"Naturally if only one element of extra hazard is involved the benefit may be granted or only rated a small amount, while if there is a combination of adverse features this might not be permissible. It may not be possible for the agent to know in advance some of the extra hazardous features, but he should be able to consider such items at least as underweight and occupation. If these appear uncertain he should consider the advisability of mentioning the benefit at all or if the prospect inquires about the benefit or the adverse facts develop only after the agent has advocated the benefit, then he should prepare the prospect in advance for the possibility that it may be granted only at a special premium or possibly not at all. In this way he makes more easy the later delivery of the policy.

"When it comes to undesirable features which can not be known in advance to the agent, I'd like to emphasize that if home office advises you that such a benefit can not be granted or must be rated, the decision is based on the facts disclosed and on the experience of not merely this company but the combined experience of many companies. Bear with the underwriting department, which is merely trying to evaluate the risk to the best of its knowledge as to what is necessary.

Do Not Have Same Standards

"Keep also in mind that merely because an applicant may be able to obtain a certain benefit or a certain rating from another company which we do not see our way clear to approving, it does not neces-

sarily mean that we are incorrect or unduly strict. That same company might be more strict than our company in connection with another class of risk. All companies do not have the same standards or rules of selection for different classes of risks, e. g., of two large companies in the same eastern city, one is known to be particularly strict in its attitude towards underweights and the

other towards overweights. By that I mean that while both companies would claim they are equally careful towards both classes of risks yet one believes that underweights should be graded into groupings which are higher than the groupings of the other company, and vice versa for overweights."

President H. B. Hill in his address reviewed the history and growth of the

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company, announcing that it has written as much life business already this year as it did for all of 1928. Mr. Hill expressed strong opposition to the sale or merger of life companies solely for the financial benefit of those in control, without regard to the trust that is imposed in them, and stated emphatically that the Abraham Lincoln would not be a party to any such transactions so long as its present officers live, although some very attractive propositions have been made to them.

Dr. J. R. Neal, secretary and medical director, reviewed for the benefit of the agents the functions of the various departments in the home office organization and advised them as to handling matters that may require the attention of these various departments. William Fairlie, assistant actuary, spoke on "Conservation," and sales talks were presented by A. D. Freyer, publicity manager; R. N. Sine and Fred Hooker.

F. M. Feffer, vice-president and agency manager, presided at all the business sessions and acted as toastmaster at the banquet. A joint session for the life and accident and health departments was held Thursday, with Friday's session devoted especially to the accident and health department and Saturday's to the life department.

Karl Ritzert of the Fleischer agency, Chicago, was announced as the president of the Rail Splitters Club, the company's honor club, for the life department, with J. J. Sheehy of Utica, Ill., as vice-president. Robert N. Sine of Springfield is president for the accident and health department; R. G. B. McKee, St. Louis, first vice-president, and A. Zatlín, Gary, Ind., second vice-president. Next year's meeting will be held at Troutdale-in-the-Pines, Evergreen, Colo.

**Disability Up
for Discussion**

(CONTINUED FROM PAGE 5)

recognizing the same need, appointed a committee of five insurance department actuaries to recommend standard provisions. These two committees, one chosen from company officials and the other representing insurance departments, have worked together and have secured outside opinions through public hearings, correspondence and interviews. The ten men on these two committees represented various sections of the country and widely divergent points of view. It is significant that they have finally made an unanimous recommendation in the form of a joint report.

Some States Will Take Action

"If this report is adopted by several key states, the most liberal disability clause permitted will grant waiver of premium and monthly income of \$10 per thousand, the first monthly payment at the end of four months. If a more liberal disability benefit is to be granted, it must be as accident and health insurance, subject to the accident and health standard provisions.

"If the joint report is adopted by the National Convention of Insurance Commissioners, it will probably be used as the basis for a ruling by several insurance departments. On the other hand, if the joint report is rejected, each state may try to work out its own salvation. Massachusetts has already formulated a ruling restricting disability benefits and California has introduced legislation but both have postponed consideration of the problem in the hope of securing uniform action throughout the country. So much publicity has recently been given to the losses on disability, particularly in the large companies, that it is practically certain that some states will take action soon. It would be most unfortunate if we had several different interpretations of what may be permitted as disability with life insurance. The joint report presents the only basis for uniform action throughout the important states."

Every wide-awake life insurance man should subscribe for his own personal copy of The National Underwriter.

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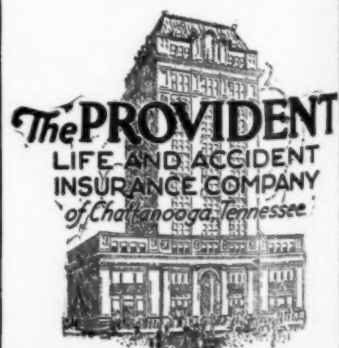
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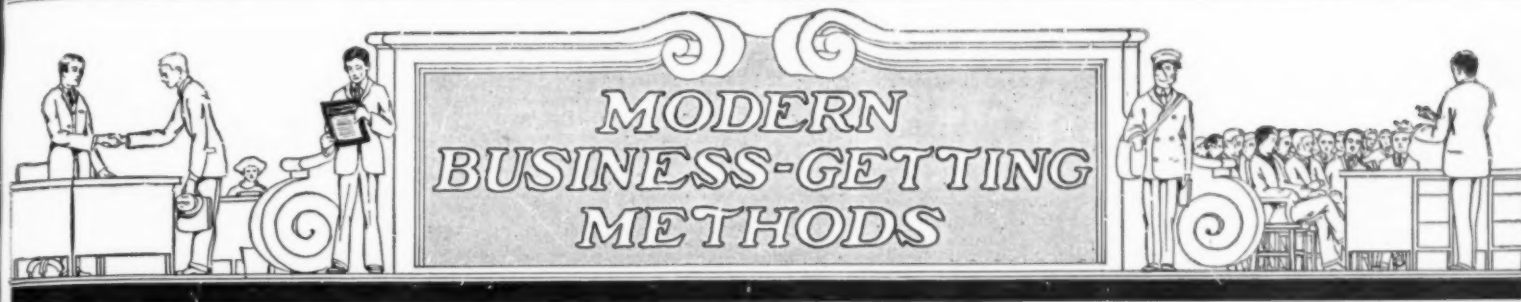
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Answers to Questions on Commercial and Insurance Law in C. L. U. Examination in June Announced by Dean Huebner

Answers to Part IV of the June Chartered Life Underwriter examination questions are given below. Many of the questions and problems involved the use of judgment on the part of the candidate. Accordingly, no hard and fast solution could be expected. Credit was given for the reasonableness of a candidate's answer and the intelligence with which he applied the knowledge.

COMMERCIAL LAW AND INSURANCE LAW

Question 1. Riegel, a creditor, who held a policy of insurance for \$6,000 on the life of his debtor (Bolton), whose whereabouts were unknown, finding it difficult to pay the premiums, made an arrangement with the insurance company under which the policy was surrendered, and a paid-up policy for \$2,500 was issued by the company and accepted by him in lieu of the policy surrendered. At the time of this transaction, both parties acted on the supposition that the assured was alive, but, in point of fact, he had been dead 10 days. Riegel claims the \$6,000, but the insurance company refuses to pay more than \$2,500. How much can Riegel recover? Give reasoning, stating legal principle involved.

Answer—There are two points of law which might arise in this case, the first one being whether there has been a novation or new contract which has replaced the old and the second whether the creditor has an insurable interest to the extent of \$6,000. (A) As to the first, I should say that the company should be liable for the full \$6,000 as reality of consent was lacking in drawing up the new policy. Mistake, misrepresentation, fraud, undue influence or force will be admitted as evidence to show there has been no reality of consent to a contract. In this case both the creditor and the company were acting on the assumption that the insured was alive, which, of course, was a mistake. Therefore, reality of consent to the new contract was lacking.

Moreover, under the terms of the original contract the beneficiary's rights had

already become vested at the time the new contract was arranged. Obviously, unless he was laboring under a mistake he wouldn't have been willing to accept \$2,500 in lieu of \$6,000 for which he already had a claim. (B) The second point involves the extent of a creditor's insurable interest in the life of a debtor. There are three general rules governing this.

1. The Pennsylvania rule entitles a creditor to insure for the debt plus interest and insurance premiums for the debtor's expectancy of life according to the Carlisle table and 4 percent interest.

2. Under the supreme court rule, the amount of insurance must not be disproportionate to the amount of the debt.

3. Under the Texas rule, the creditor is entitled to receive from the insurance carrier the amount of the debt plus premiums and compound interest, the balance of the policy being paid to the insured's beneficiaries.

Summary: The company would be liable for the full \$6,000 but whether Riegel would receive that or a lesser sum would depend upon the law and court decisions in the particular state with respect to a creditor's insurable interest in the life of a debtor.

Question 2. Fox urged his employees to take out life insurance, and suggested that they talk the matter over with an insurance solicitor named Boyd. One of the employees (Cox) wanted to take out a policy, but was unable to pay the premium. Fox said to Boyd: "Have the policy issued, and I will personally guarantee that you will get the money from Cox." The policy was issued, but Cox failed to pay the premium, and shortly thereafter left the employ of Fox. Boyd sued Fox on his promise. Fox defended on the ground that his promise was not in writing. Can Boyd recover? Give reasoning, stating legal principle involved.

Answer: Boyd cannot recover.

Fox guaranteed payment of the premium by Cox without any consideration being received for his guarantee. The

continuance of Cox's working for Fox for a time after the guarantee was no consideration for Fox's assuming the obligation. Where a contract of guaranty is entered into the laws of most states require special formality, i. e. that the contract must be evidenced in writing in the absence of any special consideration. Even had there been a consideration paid to Fox for his guarantee, I believe that a written contract would be necessary. Lacking this special formality required of such contracts Fox is relieved and Boyd cannot recover.

Question 3. Dawson and Fee were partners conducting a general insurance business. They rented a suite of offices and engaged in an extensive advertising campaign. Fee was the active manager of the business. Business did not develop as expected, and Dawson told Fee to make no further contracts for advertising; that if he did, he (Dawson) would not be responsible for them. Fee, nevertheless, signed, in behalf of the firm, a renewal contract for advertising in the "Daily World." Subsequently the "Daily World" sued the firm for advertising charges. (A) Would the "Daily World" be entitled to judgment against the firm? (B) If a judgment is obtained against a partnership, and the firm and all the partners except one are without assets, can the creditor get satisfaction for his judgment out of the assets of the solvent partner? Give reasoning.

Answer. (A) The "Daily World" can recover a judgment against the firm.

A partner is a general agent of the partnership and has powers coextensive with those of the partnership. He can bind the firm to any act within reason; sale of the assets of the firm in toto or conveyance of real estate registered in the name of the firm, etc., being accepted. Here Fee was acting within the scope of his apparent authority as a general agent of the firm of which he was a partner and general manager. Dawson is estopped from denying liability.

(B) Yes, a creditor can satisfy his judgment out of the assets of the one solvent partner because a partner is unlimitedly liable from his personal estate for all debts of the partnership. This is one of the characteristics of the partnership form of organization.

Question 4. (A) What requirements does the negotiable instruments act pre-

scribe concerning the form of a negotiable promissory note?

(B) What advantages does the holder in due course of a negotiable note have over the assignee of a non-negotiable contract?

Answer (A) The negotiable instruments act prescribes that a negotiable promissory note should be an 1. Unconditional promise, 2. In writing, 3. To pay a certain sum of money, 4. To the order of a particular person or to bearer, 5. At a fixed or determinable future time.

(B) The holder in due course of a negotiable note is free from any set-offs which might have been good against the maker either at the time the note was drawn or subsequently. In other words, he is not subject to such defenses as that there was no consideration, the payee had not fulfilled the contract for which the note was given, etc.

In case of assignment of a non-negotiable contract, the assignee receives no better rights than the assignor had. Therefore, to take a fire insurance contract as an illustration, if the policy is void as to the assignor because of some violation, it is also void as to the assignee. Furthermore, to use the same illustration, if a fire insurance policy which is assigned with the consent of the company, and is good at the time, is subsequently violated by the assignor so as to be void as to him, it will also be void as to the assignee.

Question 5. Discuss the national bankruptcy act, including the legal interpretation of its provisions, in its relation to the rights of creditors to the cash value of life insurance policies.

Answer. The national bankruptcy act provides that the bankrupt must report to the trustee all assets existing at the time of his bankruptcy. The question then arises as to what extent life insurance policies may be considered as part of his assets. Generally, anything to which the bankrupt has access passes to the trustee in bankruptcy.

If the beneficiary of a life insurance policy has been irrevocably named, i. e. if the right to change the beneficiary has not been reserved by the insured, the bankrupt has no right or title to the policy. The beneficiary has a vested interest in the policy and the cash value of the policy has not been available to the bankrupt. Hence the trustee has no

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claims and creditors can obtain no benefit under the policy.

Where the right to change the beneficiary has been reserved, the insured has control of the policy and can surrender it for cash value. Hence the trustee can do the same thing and creditors obtain the benefit of this cash value. In this case the bankrupt is allowed to preserve his policy by paying to the trustee the amount of the cash value, thus keeping the policy in force. This is usually accomplished by borrowing from the beneficiary the difference between the cash value and its loan value and borrowing the loan value directly from the insurance company.

The national bankruptcy act does not take away any exemptions granted under the various state bankruptcy laws. Consequently, in those states which exempt life insurance policies in which certain named beneficiaries (wife, children or a creditor as security for a debt) are designated with the right to change reserved, this same exemption applied under the national bankruptcy act.

Where the estate of the insured bankrupt or where the insured himself is named as beneficiary, creditors can get the cash value of the policy.

Where the insured bankrupt dies after becoming bankrupt the claims of creditors are limited to the cash value of his insurance but creditors can only recover this provided the insured or his estate was named as beneficiary or provided the beneficiary was named with the right to change reserved. If the insured dies and his estate becomes bankrupt the creditors have no claims at all unless the policies were payable to him or to his estate, in which case they become assets of the estate and are subject to creditor's claims.

Life insurance procured within four months prior to the bankruptcy may be considered as an attempt by the bankrupt to effect a transfer of assets in contemplation of bankruptcy with the intent to defraud creditors and could then be attached by the trustee.

Question 6. Enumerate the principal state statutes regulating life insurance solicitors.

Answer 1. Most states have passed laws requiring life insurance agents to get a license before operating within the state. Brokers must also be licensed. Some states grant these licenses merely upon application and payment of fees. Others, as Pennsylvania, require an examination of all agents and brokers, the examination being different.

2. Most states have laws prohibiting rebating of commissions. Some cases are difficult to decide, but in general rebating is the return of part of the agent's commission or some other consideration to the insured when he takes out the policy.

3. Most states prohibit "twisting." This is any misrepresentation or incomplete comparison on the part of the agent which causes a policyholder to lapse an old policy for the purpose of taking a new one.

4. Agents are also usually prohibited from making any promises as to future dividends. The dividend records of the company in question may be excellent but no one can predict what will happen in the future.

5. Fraudulent statements, or incomplete comparisons cannot be made. An opinion of the agent regarding a provision of the policy does not affect the contract; however, the agent should be careful on this point, for oral testimony in some states is recognized as sufficient to alter the contract, even though the policy has a provision stating that the agent has no authority to alter or change any part of the policy.

6. Many states definitely state that the broker will be considered the agent of the company for certain purposes as receipt of premium and delivery of the policy and agent of the insured in all other respects. This is due to the difficulty in the past of determining the status of the broker.

Question 7. A, B, and C are pro-

posing to engage in business together. What are the relative advantages and disadvantages of a partnership and a corporate form of association?

Answer. My advice to A, B and C would be to give consideration to the following factors.

Partnership

Advantages: 1. Less formal combination. 2. Can pool the skill and resources of several persons so that each may contribute his particular qualifications for the benefit of all. Thus one may be a sales manager, another a financier and the third a production expert. 3. Not so closely regulated by the state as in a corporation. 4. Taxes usually lower.

Disadvantages: 1. Each partner may bind all. 2. Unlimited liability of partners. 3. Death of any one dissolves the partnership. 4. Difficulty of withdrawing or transferring interest. 5. May not be able to get enough capital.

Corporation

Advantages: 1. Perpetual succession. 2. Transferability of stock. 3. Stockholder may not personally bind the company. 4. Liability is limited to amount of interest with the exception that in some cases as bank stock, there may be double liability. 5. Can combine the capital of many. 6. Can use large scale methods of production. 7. Can secure a national interest in the success of a concern by widespread stock holding.

Disadvantages: 1. Absentee landlordism—the people who put up the money have little control in many cases over its management. 2. Possible abuses from concentration of so much capital. 3. Higher taxation. 4. Stricter state regulation and supervision.

Question 8. What acts are within the express and implied powers of a corporation? Discuss.

Answer. A corporation is an artificial person created by law which is expressly given the right

- Of perpetual succession, or for a given period of years.
- To sue and be sued.
- To use a seal.
- To own property.
- To make contracts and do everything else which may be necessary to carry on the business for which it was created.

It is impliedly given any powers which are not expressly stated but which would reasonably be necessary to carry on its corporate activities.

Question 9. Shafer was a candidate for city treasurer. He wrote to Knowles, an acquaintance who was out of town, that if the latter would return to the city on election day and cast his vote, he would reimburse him for his transportation expenses. There was no agreement as to how Knowles was to vote. Knowles returned and voted. Shafer was defeated, and refused to keep his agreement. Knowles sued. Can he recover? Give reasons.

Answer. There was an implied understanding (or tacit offer or influence) when Shafer offered to pay Knowles' transportation expenses to vote, which made it an illegal contract and against public policy. Therefore, Knowles' claim would be unenforceable at law.

Question 10. Crawford, a widower, has four children, age 30, 25, 21 and 19 years, respectively. The oldest is a daughter; the others are sons. He wishes to have them participate equally in his estate. The intestate law of the state provides for equal distribution under the circumstances. Is there any occasion for Crawford to make a will? Explain.

Answer. Crawford certainly should make a will. First of all, it is less expensive than transfer under the intestate law. Secondly, he has one minor child, and in his will he can appoint a guardian, saving expense as contrasted with appointment by the surrogates or orphans court, and moreover make sure the guardian is someone he desires rather than risk the appointment of a

stranger or relative stranger. Also, if he died intestate, his administrator would be required to convert his estate into cash before distribution which might involve liquidation loss and diminish the amount to be distributed, whereas if he made a will his study of his affairs might indicate that he should direct a distribution in kind, securities, real estate, etc., to his various children. Finally he might conclude through drawing his will that specific "kind" distribution in equal amounts to individual children would be beneficial, such as a home if he owned one to the daughter, etc.

Despite the fact that the intestate law of his state provides for equal distribution to children of a widower, and that no apparent injustice in amounts would be done, his examination of the subject will show that he should make a will. The making of his will permits of a testamentary trust etc. in favor of his daughter, giving her income rather than principal etc.

Question 11. Is there any difference between the duty of a bailee who (a) acts gratuitously, and (b) one who acts for compensation, the bailment being for the benefit of bailor in each case? (c) Does the degree of care in either case depend upon the article bailed?

Answer. A bailee who (a) acts gratuitously when the bailment is for the benefit of the bailor is only held to exercise of slight degree of care. (b) On the other hand, if he receives compensation and the bailment is for the benefit of the bailor, the bailee must exercise ordinary care and diligence in looking after the property. Were the bailment for the benefit of the bailee himself a high degree of care would have to be shown. (c) The degree of care will depend upon, in both cases, the nature of the article bailed. For instance if I ask a friend to store a lawn roller for me, whether or not I pay him, and he leaves it in his garage from which it is stolen, he probably has exercised sufficient care under either of the above conditions. On the contrary, if I should ask him to keep a bond or a diamond ring and he left it in the garage, he would not have exercised a sufficient amount of care.

Question 12. (A) What is a warranty? Give two illustrations of transactions in which warranties occur.

(B) What is the difference between the liability of a maker and an indorser of a negotiable promissory note?

Answer. (a) A warranty is a statement which if incorrect will void an agreement even though the inaccuracy of the statement may not have been material.

The description of certain property may be warranted in an agreement of sale. The seller is then not in a position to say that he had given what he had promised even though the goods may not differ in any great respect. The doctrine of caveat emptor is applied in the case of most sales and due allowance is made for the practice of producers verbally boosting their wares. However, if goods are warranted to meet certain specifications, the purchaser need not accept them unless they actually measure up to such specifications.

Other good illustrations of warranty may be found in many forms of insurance. In automobile insurance, for example, an owner warrants the information he gives as to his residence, occupation, ownership of car, liens, etc. If this information is incorrect the company may void the policy even though it would have had no material bearing upon the company's willingness to write the risk had it been previously stated correctly.

(b) The maker on a note is primarily liable for its payment. He guarantees that it is genuine, that it is his direct obligation and that he will pay it according to its terms when due. If the note should not be presented when due, he is nevertheless bound.

An endorser of a note is liable only if the payee cannot recover from the

maker. He has guaranteed the capacity of previous parties on it to contract and has agreed that he will pay it if the maker does not. If a note is not presented when due, the payee should notify the endorser or endorsers promptly of non-payment in order to be able to sue them.

Question 13. Define briefly the following terms, stating in what connection they occur: (a) implied contract; (b) covenant; (c) incumbrance; (d) insolvency; (e) power of attorney; (f) receiver; (g) tort; (h) surety; (i) voidable; (j) ultra vires.

Answer. The following terms may be defined briefly as follows. After each definition is a statement of the connection in which it occurs.

(a) Implied contract—a contract which is assumed from the actions of the parties even though there had been no express agreement. This term will be found in the law of contracts.

(b) Covenant—an obligation defined and assumed by one party to a contract under seal. For instance, in an agreement of sale for real estate, the seller covenants to perform certain acts. They will be found in sales or leases of real or personal property.

(c) Incumbrance—a lien or claim against a certain piece of property as mortgage or mechanic's lien on real property. Found in law governing real estate transactions.

(d) Insolvency—the inability of a debtor to pay his obligations. Found in bankruptcy law.

(e) Power of attorney—a legal document authorizing the person to whom it is given to perform some act in place of the person giving it. To illustrate, a stockholder may sign a power of attorney, which gives the holder a right to sell his stock. Found in law governing negotiable instrument agency law, and elsewhere.

(f) Receiver—a person appointed by the courts to take over and administer the affairs of an insolvent corporation.

(g) Tort—an offense against an individual, such as libel, slander, malicious prosecution, negligently injuring the party, etc., as contrasted with an offense against society, which is a "crime." Found in the law of torts.

(h) Surety—one who assumes liability for the act, default or miscarriage of another. Found in law of suretyship and guaranty.

(i) Voidable—an agreement which may be made void at the option of one of the parties to it is called a voidable one. For instance, a minor may make a contract for certain things other than necessities. This contract is voidable when the minor comes of age. That he may void it if he wishes although it is not in itself void. Found in contract law—capacity of parties.

(j) Ultra vires—from Latin meaning beyond the powers. Corporations are given certain express powers by law and others are implied, as previously explained. Any acts exercised by a corporation which are outside the powers given to it are called "ultra vires." This term is found in corporation law.

Dr. Sadler Resigns

Dr. William S. Sadler, vice-president and medical director of the California National Life of Chicago, has resigned. Dr. Sadler is president of the Medical Research & Diagnosis Bureau and a well known writer on medical subjects.

Missouri Fraternal Congress

The annual convention of the Missouri Fraternal Congress will be held in St. Louis Nov. 21-22. Leaders of the National Fraternal Congress will be among the speakers.

The subjects that will be discussed at the meeting are the new juvenile insurance law passed by the Missouri legislature and now in effect, and also ways and means of increasing membership.

Many of the fraternal organizations operating in Missouri have already organized juvenile insurance sections.

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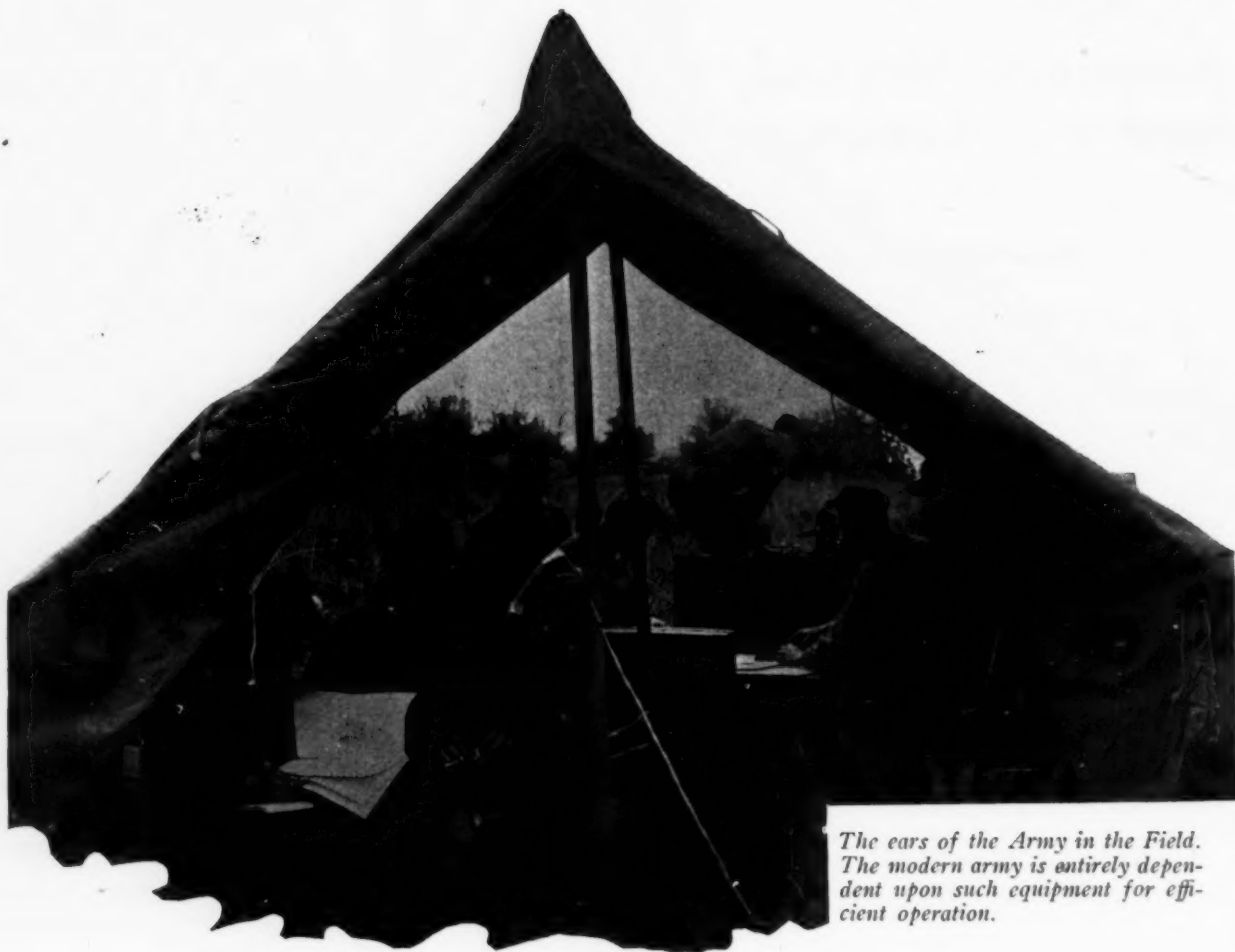
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